

# **ALTAREA**

## **SUMMARY INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2022**

# DETAILED SUMMARY

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# 1 Financial statements

## Consolidated balance sheet

(€ millions)	Note	30/06/2022	31/12/2021
<b>Non-current assets</b>		<b>5,094.0</b>	<b>5,170.8</b>
Intangible assets	7.2	331.8	332.5
o/w Goodwill		209.4	209.4
o/w Brands		105.4	105.4
o/w Other intangible assets		17.1	17.7
Property plant and equipment		26.2	27.8
Right-of-use on tangible and intangible fixed assets	7.3	127.8	128.4
Investment properties	7.1	4,140.1	4,176.8
o/w Investment properties in operation at fair value		3,782.8	3,814.5
o/w Investment properties under development and under construction at cost		187.5	192.8
o/w Right-of use on Investment properties		169.8	169.6
Securities and investments in equity affiliates	4.5	423.5	459.4
Non-current financial assets	4.6	27.8	22.0
Deferred taxes assets	5.3	16.7	24.1
<b>Current assets</b>		<b>3,793.0</b>	<b>4,188.5</b>
Net inventories and work in progress	7.4	1,046.8	922.6
Contract assets	7.4	676.8	714.1
Trade and other receivables	7.4	850.1	858.2
Income credit		10.2	19.5
Current financial assets	4.6	16.5	28.3
Derivative financial instruments	8	77.7	12.0
Cash and cash equivalents	6.2	1,022.8	1,625.5
Assets held for sale	7.1	92.0	8.3
<b>TOTAL ASSETS</b>		<b>8,887.0</b>	<b>9,359.4</b>
<b>Equity</b>		<b>3,784.5</b>	<b>3,543.6</b>
<b>Equity attributable to Altarea SCA shareholders</b>		<b>2,239.5</b>	<b>2,236.2</b>
Share capital	6.1	310.1	310.1
Other paid-in capital		387.0	513.9
Reserves		1,343.8	1,200.5
Income associated with Altarea SCA shareholders		198.6	211.6
<b>Equity attributable to minority interests in subsidiaries</b>		<b>1,545.1</b>	<b>1,307.4</b>
Reserves associated with minority interests in subsidiaries		1,265.0	1,033.4
Other equity components, Subordinated Perpetual Notes		223.5	223.5
Income associated with minority interests in subsidiaries		56.6	50.5
<b>Non-current liabilities</b>		<b>2,631.2</b>	<b>3,036.5</b>
Non-current borrowings and financial liabilities	6.2	2,494.2	2,891.7
o/w Participating loans and advances from associates		57.5	59.3
o/w Bond issues		1,456.3	1,723.2
o/w Borrowings from lending establishments		590.8	681.7
o/w Negotiable European Medium Term Note		85.0	122.0
o/w Lease liabilities		137.0	138.2
o/w Contractual fees on investment properties		167.6	167.2
Long-term provisions	6.3	32.9	36.8
Deposits and security interests received		38.4	38.7
Deferred tax liability	5.3	65.8	69.4
<b>Current liabilities</b>		<b>2,471.2</b>	<b>2,779.2</b>
Current borrowings and financial liabilities	6.2	661.8	838.5
o/w Bond issues		24.6	26.2
o/w Borrowings from lending establishments		90.1	67.4
o/w Negotiable European Commercial Paper		446.0	637.0
o/w Bank overdrafts		11.6	13.6
o/w Advances from Group shareholders and partners		70.3	75.6
o/w Lease liabilities		16.6	16.1
o/w Contractual fees on investment properties		2.6	2.6
Derivative financial instruments	8	0.5	16.7
Contract liabilities	7.4	219.1	168.1
Trade and other payables	7.4	1,580.5	1,740.6
Tax due		9.2	15.2
<b>TOTAL LIABILITIES</b>		<b>8,887.0</b>	<b>9,359.4</b>

## Statement of consolidated comprehensive income

(€ millions)	Note	30/06/2022	31/12/2021	30/06/2021
Rental income		101.4	186.7	84.0
Property expenses		(2.0)	(1.9)	(0.8)
Unrecoverable rental expenses		(6.0)	(8.9)	(4.5)
<i>Expenses re-invoiced to tenants</i>		29.0	55.1	32.4
<i>Rental expenses</i>		(35.0)	(64.0)	(36.9)
Other expenses		0.1	(1.6)	(1.2)
Net charge to provisions for current assets		1.4	(11.8)	(6.4)
<b>Net rental income</b>	5.1	<b>94.8</b>	<b>162.5</b>	<b>71.0</b>
Revenue		1,300.0	2,796.2	1,318.9
Cost of sales		(1,126.5)	(2,446.5)	(1,168.6)
Other income		(48.2)	(102.4)	(49.0)
Net charge to provisions for current assets		(8.3)	(10.1)	(0.1)
<b>Net property income</b>	5.1	<b>117.0</b>	<b>237.2</b>	<b>101.3</b>
External services		21.1	46.9	21.0
Own work capitalised and production held in inventory		99.2	196.6	92.7
Personnel costs		(122.7)	(253.6)	(116.9)
Other overhead expenses		(36.2)	(68.1)	(30.9)
Depreciation expenses on operating assets		(14.3)	(29.5)	(14.7)
<b>Net overhead expenses</b>		<b>(52.9)</b>	<b>(107.6)</b>	<b>(48.8)</b>
Other income and expenses		(3.5)	(9.8)	(5.1)
Depreciation expenses		(0.0)	(0.2)	(0.1)
Transaction costs		(12.0)	(14.9)	(5.9)
<b>Other</b>		<b>(15.5)</b>	<b>(24.9)</b>	<b>(11.2)</b>
Proceeds from disposal of investment assets		0.5	8.9	4.2
Carrying amount of assets sold		(0.5)	(10.2)	(5.6)
<b>Net gain/(loss) on disposal of investment assets</b>		<b>0.0</b>	<b>(1.3)</b>	<b>(1.4)</b>
Change in value of investment properties	7.1	47.3	39.9	17.9
Net impairment losses on investment properties measured at cost		–	(4.8)	(4.0)
Net impairment losses on other non-current assets		0.5	(1.2)	(1.0)
Net charge to provisions for risks and contingencies		1.2	(11.5)	(9.0)
<b>OPERATING INCOME BEFORE THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES</b>		<b>192.4</b>	<b>288.3</b>	<b>114.9</b>
Share in earnings of equity-method affiliates	4.5	12.1	19.1	3.2
<b>OPERATING INCOME AFTER THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES</b>		<b>204.5</b>	<b>307.4</b>	<b>118.1</b>
Net borrowing costs	5.2	(9.8)	(54.6)	(28.0)
<i>Financial expenses</i>		(17.0)	(68.5)	(34.9)
<i>Financial income</i>		7.2	13.9	6.9
Other financial results	5.2	(15.4)	(28.7)	(14.5)
Change in value and income from disposal of financial instruments	5.2	73.8	5.7	0.9
Net gain/(loss) on disposal of investments		37.7	46.2	38.6
<b>Profit before tax</b>		<b>290.7</b>	<b>276.1</b>	<b>115.2</b>
Corporate income tax	5.3	(35.5)	(13.9)	(0.7)
<b>NET INCOME</b>		<b>255.2</b>	<b>262.1</b>	<b>114.4</b>
<b>o/w attributable to shareholders of Altarea SCA</b>		<b>198.6</b>	<b>211.6</b>	<b>103.5</b>
o/w Attributable to minority interests in subsidiaries		56.6	50.5	11.0
Average number of non-diluted shares <sup>(a)</sup>		20,119,215	18,024,260	17,636,878
<b>Net income per share attributable to shareholders of Altarea SCA (€)</b>	5.4	<b>9.87</b>	<b>11.74</b>	<b>5.87</b>
Diluted average number of shares <sup>(a)</sup>		20,605,953	18,424,086	17,946,437
<b>Diluted net income per share attributable to shareholders of Altarea SCA (€)</b>	5.4	<b>9.64</b>	<b>11.49</b>	<b>5.77</b>

(a) Pursuant to IAS 33, the weighted average number of shares (diluted and non-diluted) at 30 June 2021 is retrospectively adjusted to take into account the capital increase with preferential subscription rights held in December 2021.

## Other comprehensive income

(€ millions)	30/06/2022	31/12/2021	30/06/2021
<b>NET INCOME</b>	<b>255.2</b>	<b>262.1</b>	<b>114.4</b>
Actuarial differences on defined-benefit pension plans	2.9	3.2	1.7
o/w Taxes	(0.7)	(0.7)	(0.5)
<b>Subtotal of comprehensive income items that may not be reclassified to profit</b>	<b>2.9</b>	<b>3.2</b>	<b>1.7</b>
<b>OTHER COMPREHENSIVE INCOME</b>	<b>2.9</b>	<b>3.2</b>	<b>1.7</b>
<b>CONSOLIDATED COMPREHENSIVE INCOME</b>	<b>258.1</b>	<b>265.3</b>	<b>116.2</b>
o/w Net comprehensive income attributable to Altarea SCA shareholders	201.5	214.8	105.2
o/w Net comprehensive income attributable to minority interests in subsidiaries	56.6	50.5	11.0

## Consolidated cash flows statement

(€ millions)	Note	30/06/2022	31/12/2021	30/06/2021
<b>Cash flow from operating activities</b>				
<b>Net income</b>		<b>255.2</b>	<b>262.1</b>	<b>114.4</b>
Elimination of income tax expense (income)	5.3	35.5	13.9	0.7
Elimination of net interest expense (income) and dividends	5.2	24.9	83.1	42.0
<b>Net income before tax and before net interest expense (income)</b>		<b>315.6</b>	<b>359.2</b>	<b>157.2</b>
Elimination of share in earnings of equity-method affiliates	4.5	(12.1)	(19.1)	(3.2)
Elimination of depreciation and impairment		13.6	47.6	25.7
Elimination of value adjustments	7.1 /	(121.0)	(40.8)	(14.9)
Elimination of net gains/(losses) on disposals <sup>(1)</sup>		(37.8)	(45.1)	(37.6)
Estimated income and expenses associated with share-based payments	6.1	12.9	23.4	9.7
<b>Net cash flow</b>		<b>171.2</b>	<b>325.2</b>	<b>136.9</b>
Tax paid		(25.5)	(34.7)	(20.9)
Impact of change in operational working capital requirement (WCR)	7.4	(127.5)	(76.5)	(161.9)
<b>CASH FLOW FROM OPERATIONS</b>		<b>18.2</b>	<b>214.0</b>	<b>(45.9)</b>
<b>Cash flow from investment activities</b>				
Net acquisitions of assets and capitalised expenditures	7.1	(37.0)	(106.6)	(50.1)
Gross investments in equity affiliates	4.5	(49.9)	(59.3)	(29.5)
Acquisitions of consolidated companies, net of cash acquired	4.3	5.5	(17.7)	(16.8)
Other changes in Group structure		(0.0)	0.2	(0.1)
Increase in loans and advances		(7.6)	(35.9)	(20.3)
Sale of non-current assets and reimbursement of advances and down payments <sup>(1)</sup>		2.9	12.0	7.2
Disposals of equity affiliates	4.5	36.7	67.1	39.3
Disposals of consolidated companies, net of cash transferred	4.3	108.0	134.2	39.2
Reduction in loans and other financial investments		37.0	21.4	6.1
Net change in investments and derivative financial instruments	5.2	(11.0)	(18.2)	(8.4)
Dividends received		33.7	125.3	106.4
Interest income on loans		9.2	8.8	3.6
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		<b>127.5</b>	<b>131.3</b>	<b>76.6</b>
<b>Cash flow from financing activities</b>				
Capital increase <sup>(2)</sup>		(0.1)	357.9	5.2
Subordinated Perpetual Notes <sup>(3)</sup>		–	28.4	28.4
Share of minority interests in the capital increase of subsidiaries <sup>(4)</sup>		140.1	211.3	38.2
Dividends paid to Altarea SCA shareholders	6.1	(199.8)	(91.0)	(0.0)
Dividends paid to minority shareholders of subsidiaries		(21.3)	(25.5)	(11.7)
Issuance of borrowings and other financial liabilities	6.2	590.5	1,564.2	1,059.4
Repayment of borrowings and other financial liabilities	6.2	(1,200.0)	(1,914.8)	(1,299.8)
Repayment of lease liabilities	6.2	(9.7)	(17.8)	1.7
Net sales (purchases) of treasury shares	6.1	(15.0)	(31.3)	(11.6)
Net change in security deposits and guarantees received		(0.3)	2.0	1.6
Interest paid on financial debts		(30.8)	(90.4)	(42.3)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(746.4)</b>	<b>(6.9)</b>	<b>(231.0)</b>
<b>CHANGE IN CASH BALANCE</b>		<b>(600.7)</b>	<b>338.4</b>	<b>(200.3)</b>
<b>Cash balance at the beginning of the year</b>				
<b>Cash balance at the beginning of the year</b>	<b>6.2</b>	<b>1,612.0</b>	<b>1,273.6</b>	<b>1,273.6</b>
Cash and cash equivalents		1,625.5	1,277.5	1,277.5
Bank overdrafts		(13.6)	(3.9)	(3.9)
<b>Cash balance at period-end</b>	<b>6.2</b>	<b>1,011.3</b>	<b>1,612.0</b>	<b>1,073.3</b>
Cash and cash equivalents		1,022.8	1,625.5	1,075.9
Bank overdrafts		(11.6)	(13.6)	(2.6)

(1) Proceeds on disposals included in the calculation of net cash flow are presented net of transaction costs. Likewise, disposals of property assets are presented net of transaction costs in the cash flow from investment activities.

(2) See Changes in consolidated equity.

(3) This is the additional subscription of Subordinated Perpetual Notes subscribed by a non-controlling shareholder of a subsidiary.

(4) In 2021, this relates to the minority shareholders' subscriptions to the capital increase of subsidiary Alta Blue, which owns the CAP3000 shopping centre via its subsidiary Aldeta, and Crédit Agricole Assurance Group's investment in several centres, via a reserved capital increase and sale of shares. In 2022, Crédit Agricole Assurance Group also took stakes in several stations via a reserved capital increase and sale of shares.

## Changes in consolidated equity

(€ millions)	Share capital	Other paid-in capital	Elimination of treasury shares	Reserves and retained earnings	Equity attributable to Altarea SCA shareholders	Equity attributable to minority shareholders of subsidiaries	Equity
<b>At 1 January 2021</b>	<b>264.0</b>	<b>233.8</b>	<b>(23.9)</b>	<b>1,284.7</b>	<b>1,758.5</b>	<b>958.2</b>	<b>2,716.7</b>
Net Income	–	–	–	103.5	103.5	11.0	114.4
Actuarial difference relating to pension obligations	–	–	–	1.7	1.7	0.0	1.7
Comprehensive income	–	–	–	105.2	105.2	11.0	116.2
Dividend distribution	–	(107.6)	–	(59.4)	(167.0)	(11.7)	(178.6)
Capital increase	0.8	4.6	–	(0.2)	5.2	38.2	43.5
Subordinated Perpetual Notes	–	–	–	–	–	28.4	28.4
Measurement of share-based payments	–	–	–	7.1	7.1	0.0	7.1
Elimination of treasury shares	–	–	9.8	(15.6)	(5.8)	–	(5.8)
Transactions with shareholders	0.8	(103.0)	9.8	(68.0)	(160.4)	55.0	(105.4)
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	2.4	2.4	(1.3)	1.1
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	–	–	–	0.0
Other	0.0	0.0	–	0.6	0.6	(0.0)	0.5
<b>At 30 June 2021</b>	<b>264.7</b>	<b>130.8</b>	<b>(14.1)</b>	<b>1,324.8</b>	<b>1,706.3</b>	<b>1,022.8</b>	<b>2,729.1</b>
Net Income	–	–	–	108.2	108.2	39.5	147.7
Actuarial difference relating to pension obligations	–	–	–	1.5	1.5	0.0	1.5
Translation differences	–	–	–	–	–	–	–
Comprehensive income	–	–	–	109.6	109.6	39.5	149.1
Dividend distribution	–	0.9	–	0.0	0.9	(13.7)	(12.8)
Capital increase	45.3	382.2	–	0.2	427.7	0.0	427.7
Subordinated Perpetual Notes	–	–	–	–	–	–	–
Measurement of share-based payments	–	–	–	10.3	10.3	0.0	10.3
Elimination of treasury shares	–	–	(19.7)	(0.3)	(20.0)	–	(20.0)
Transactions with shareholders	45.3	383.1	(19.7)	10.1	418.9	(13.7)	405.2
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	0.2	0.2	258.4	258.6
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	–	–	–	(0.0)
Change in method	–	–	–	0.0	0.0	–	0.0
Other	–	(0.0)	–	1.2	1.2	0.4	1.6
<b>At 31 December 2021</b>	<b>310.1</b>	<b>513.9</b>	<b>(33.8)</b>	<b>1,446.0</b>	<b>2,236.2</b>	<b>1,307.4</b>	<b>3,543.6</b>
Net Income	–	–	–	198.6	198.6	56.6	255.2
Actuarial difference relating to pension obligations	–	–	–	2.9	2.9	0.0	2.9
Comprehensive income	–	–	–	201.5	201.5	56.6	258.1
Dividend distribution	–	(126.9)	–	(72.9)	(199.8)	(31.1)	(230.9)
Capital increase	–	–	–	(0.0)	(0.0)	0.0	0.0
Measurement of share-based payments	–	–	–	9.6	9.6	0.0	9.6
Elimination of treasury shares	–	–	14.7	(22.0)	(7.3)	–	(7.3)
Transactions with shareholders	–	(126.9)	14.7	(85.2)	(197.5)	(31.1)	(228.6)
Changes in ownership interests without taking or losing control of subsidiaries	–	–	–	(1.0)	(1.0)	212.2 (a)	211.2
Changes in ownership interests associated with taking or losing control of subsidiaries	–	–	–	–	–	–	–
Other	(0.0)	–	–	0.2	0.2	(0.0)	0.2
<b>At 30 June 2022</b>	<b>310.1</b>	<b>387.0</b>	<b>(19.1)</b>	<b>1,561.5</b>	<b>2,239.5</b>	<b>1,545.1</b>	<b>3,784.5</b>

(a): Impact of Crédit Agricole Assurance's entry into the capital of (i) Gare Montparnasse, which resulted in an increase in the share of non-controlling interests of €173.1 million, including the increase in capital reserved for non-controlling interests for €127.7 million, and (ii) Italian stations, which resulted in an increase in the share of non-controlling interests of €39.1 million, including the capital increase reserved to non-controlling interests for €12.4 million.

The notes constitute an integral part of the consolidated financial statements.

## 2 Notes – Consolidated income statement by segment

	30/06/2022			31/12/2021			30/06/2021		
	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	Total	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	Total	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs	Total
<i>(€ millions)</i>									
Rental income	101.4	–	101.4	186.7	–	186.7	84.0	–	84.0
Other expenses	(6.6)	–	(6.6)	(24.2)	–	(24.2)	(13.0)	–	(13.0)
<b>Net rental income</b>	<b>94.8</b>	<b>–</b>	<b>94.8</b>	<b>162.5</b>	<b>–</b>	<b>162.5</b>	<b>71.0</b>	<b>–</b>	<b>71.0</b>
External services	9.1	–	9.1	23.8	–	23.8	9.2	–	9.2
Own work capitalised and production held in inventory	4.9	–	4.9	8.6	–	8.6	6.1	–	6.1
Operating expenses	(21.3)	(2.3)	(23.6)	(45.6)	(6.7)	(52.4)	(22.5)	(2.9)	(25.5)
<b>Net overhead expenses</b>	<b>(7.2)</b>	<b>(2.3)</b>	<b>(9.5)</b>	<b>(13.2)</b>	<b>(6.7)</b>	<b>(20.0)</b>	<b>(7.1)</b>	<b>(2.9)</b>	<b>(10.1)</b>
Share of equity-method affiliates	2.1	1.4	3.5	3.8	(3.0)	0.8	0.9	(3.4)	(2.6)
Net allowances for depreciation and impairment	–	0.2	0.2	–	(12.8)	(12.8)	–	(9.3)	(9.3)
Income/loss on sale of assets	–	(0.4)	(0.4)	(1.0)	(1.2)	(2.2)	0.0	(1.3)	(1.3)
Income/loss in the value of investment property	–	47.3	47.3	–	33.1	33.1	–	12.3	12.3
Transaction costs	–	0.8	0.8	–	(3.0)	(3.0)	–	(0.3)	(0.3)
<b>OPERATING INCOME - RETAIL</b>	<b>89.6</b>	<b>46.9</b>	<b>136.6</b>	<b>152.1</b>	<b>6.4</b>	<b>158.4</b>	<b>64.8</b>	<b>(4.9)</b>	<b>59.8</b>
Revenue	1,140.3	–	1,140.3	2,484.7	–	2,484.7	1,203.4	–	1,203.4
Cost of sales and other expenses	(1,052.1)	–	(1,052.1)	(2,280.7)	–	(2,280.7)	(1,109.8)	–	(1,109.8)
<b>Net property income</b>	<b>88.2</b>	<b>–</b>	<b>88.2</b>	<b>204.0</b>	<b>–</b>	<b>204.0</b>	<b>93.7</b>	<b>–</b>	<b>93.7</b>
External services	7.1	–	7.1	13.3	–	13.3	5.3	–	5.3
Production held in inventory	89.0	–	89.0	177.7	–	177.7	83.2	–	83.2
Operating expenses	(108.1)	(9.3)	(117.4)	(227.3)	(20.9)	(248.1)	(101.0)	(7.6)	(108.6)
<b>Net overhead expenses</b>	<b>(12.1)</b>	<b>(9.3)</b>	<b>(21.4)</b>	<b>(36.3)</b>	<b>(20.9)</b>	<b>(57.2)</b>	<b>(12.5)</b>	<b>(7.6)</b>	<b>(20.1)</b>
Share of equity-method affiliates	4.3	(0.4)	3.9	12.0	(0.6)	11.4	4.4	(0.2)	4.2
Net allowances for depreciation and impairment	–	(8.4)	(8.4)	–	(20.5)	(20.5)	–	(10.7)	(10.7)
Transaction costs	–	–	–	–	–	–	–	–	–
<b>OPERATING INCOME - RESIDENTIAL</b>	<b>80.4</b>	<b>(18.1)</b>	<b>62.3</b>	<b>179.6</b>	<b>(42.0)</b>	<b>137.7</b>	<b>85.6</b>	<b>(18.5)</b>	<b>67.1</b>
Revenue	159.7	–	159.7	305.2	–	305.2	112.0	–	112.0
Cost of sales and other expenses	(130.4)	–	(130.4)	(271.0)	–	(271.0)	(104.3)	–	(104.3)
<b>Net property income</b>	<b>29.2</b>	<b>–</b>	<b>29.2</b>	<b>34.2</b>	<b>–</b>	<b>34.2</b>	<b>7.6</b>	<b>–</b>	<b>7.6</b>
External services	4.9	–	4.9	9.8	–	9.8	6.4	–	6.4
Production held in inventory	5.3	–	5.3	10.3	–	10.3	3.3	–	3.3
Operating expenses	(11.1)	(2.0)	(13.2)	(26.2)	(5.2)	(31.3)	(10.1)	(1.9)	(12.0)
<b>Net overhead expenses</b>	<b>(0.9)</b>	<b>(2.0)</b>	<b>(2.9)</b>	<b>(6.1)</b>	<b>(5.2)</b>	<b>(11.2)</b>	<b>(0.3)</b>	<b>(1.9)</b>	<b>(2.3)</b>
Share of equity-method affiliates	33.4	0.1	33.5	46.9	(1.5)	45.3	40.2	(0.3)	39.9
Net allowances for depreciation and impairment	–	(0.8)	(0.8)	–	(1.0)	(1.0)	–	(0.9)	(0.9)
Income/loss in the value of investment property	–	–	–	–	2.0	2.0	–	1.6	1.6
Transaction costs	–	–	–	–	–	–	–	–	–
<b>OPERATING INCOME - BUSINESS PROPERTY</b>	<b>61.7</b>	<b>(2.7)</b>	<b>59.0</b>	<b>75.0</b>	<b>(5.7)</b>	<b>69.3</b>	<b>47.5</b>	<b>(1.4)</b>	<b>46.1</b>
Others (Corporate)	(8.5)	(16.1)	(24.6)	(1.8)	(17.9)	(19.7)	(7.7)	(8.9)	(16.6)
<b>OPERATING INCOME</b>	<b>223.3</b>	<b>10.0</b>	<b>233.3</b>	<b>404.9</b>	<b>(59.2)</b>	<b>345.8</b>	<b>190.1</b>	<b>(33.7)</b>	<b>156.5</b>
Net borrowing costs	(17.7)	7.9	(9.8)	(49.2)	(5.4)	(54.6)	(25.2)	(2.8)	(28.0)
Other financial results	(15.4)	–	(15.4)	(20.1)	(8.6)	(28.7)	(8.8)	(5.7)	(14.5)
Change in value and income from disposal of financial instruments	–	73.8	73.8	–	5.7	5.7	–	0.9	0.9
Net gain/(loss) on disposal of investments	–	8.8	8.8	–	7.9	7.9	–	0.3	0.3
<b>PROFIT BEFORE TAX</b>	<b>190.3</b>	<b>100.4</b>	<b>290.7</b>	<b>335.7</b>	<b>(59.6)</b>	<b>276.1</b>	<b>156.1</b>	<b>(41.0)</b>	<b>115.2</b>
Corporate income tax	(22.2)	(13.3)	(35.5)	(20.1)	6.2	(13.9)	(14.6)	13.9	(0.7)
<b>NET INCOME</b>	<b>168.0</b>	<b>87.1</b>	<b>255.2</b>	<b>315.6</b>	<b>(53.4)</b>	<b>262.1</b>	<b>141.5</b>	<b>(27.1)</b>	<b>114.4</b>
Non-controlling interests	(38.0)	(18.6)	(56.6)	(51.2)	0.7	(50.5)	(23.5)	12.6	(11.0)
<b>NET INCOME, GROUP SHARE</b>	<b>130.1</b>	<b>68.5</b>	<b>198.6</b>	<b>264.4</b>	<b>(52.7)</b>	<b>211.6</b>	<b>118.0</b>	<b>(14.5)</b>	<b>103.5</b>
<i>Diluted average number of shares <sup>(a)</sup></i>	20,605,953	20,605,953	20,605,953	18,424,086	18,424,086	18,424,086	17,946,437	17,946,437	17,946,437
<b>NET INCOME PER SHARE (€/SHARE) GROUP SHARE</b>	<b>6.31</b>	<b>3.33</b>	<b>9.64</b>	<b>14.35</b>	<b>(2.86)</b>	<b>11.49</b>	<b>6.58</b>	<b>(0.81)</b>	<b>5.77</b>

(a) Pursuant to IAS 33, the weighted average number of shares (diluted and non-diluted) at 30 June 2021 is retrospectively adjusted to take into account the capital increase with preferential subscription rights held in December 2021.

# 3 Other information attached to the interim consolidated financial statements

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## NOTE 1 COMPANY INFORMATION

Altarea is a *Société en Commandite par Actions* (a French partnership limited by shares), the shares of which are traded on the Euronext Paris regulated market, (Compartment A). The registered office is located at 87 rue de Richelieu in Paris (France).

Altarea chose the SIIC corporate form (*Société d'Investissement Immobilier Cotée*) as of 1 January 2005.

As both a developer and investor, the Group is present in the three main real estate markets (Retail, Residential and Business property), making it the leader in major mixed-use urban renewal projects in France. The Group has the required expertise in each sector to design, develop, market, manage and exploit made-to-measure property products.

Altarea controls the company Altareit, whose shares are admitted to trading on the regulated market Euronext Paris, Compartment A.

Altarea controls the company NR21, whose shares are admitted to trading on the regulated market Euronext Paris, Compartment C.

Altarea presents its financial statements and accompanying notes in millions of euros, to one decimal point.

The consolidated financial statements for the period ended 30 June 2022 were approved by the Management on 28 July 2022 having been examined by the Audit Committee and the Supervisory Board.

## NOTE 2 ACCOUNTING PRINCIPLES AND METHODS

### 2.1 Accounting standards applied by the Company

The Altarea Group's consolidated half-yearly financial statements to 30 June 2022 were prepared in compliance with IAS 34 "Interim financial reporting". The condensed financial statements do not include all of the information required by the IFRS guidelines for annual financial statements and should be read in conjunction with the Altarea Group's consolidated financial statements for the financial year ended 31 December 2021, presented in the registration document filed with the AMF on 29 April 2022 under number D.22-0403.

The accounting principles used in the preparation of the consolidated half-yearly financial statements are compliant with the IASB's (*International Accounting Standards Board*) IFRS standards and interpretations as adopted by the European Union as at 30 June 2022 and available on the website of the European Commission.

*Accounting standards, interpretations and amendments applicable as from the financial year beginning on 1 January 2022:*

- Amendments to IFRS 3 - Change in the conceptual framework;
- Amendments to IAS 16 - Proceeds before intended use;

- Amendments to IAS 37 - Costs to be taken into account to recognise a provision for onerous contracts;
- Annual improvements to IFRS - 2018-2020 cycle (IFRS 1, IFRS 9, IAS 41, IFRS 16)

These amendments have no impact for the Group.

*Accounting standards and interpretations adopted early as at 30 June 2022, whose application is mandatory for financial years starting on or after 1 July 2022:*

None

*Accounting standards and interpretations published and mandatory after 30 June 2022:*

- Amendment to IAS 8 – Definition of an accounting estimate;
- Amendment to IAS 1 – Presentation of Financial Statements;
- IFRS 17 - Insurance contracts (replacing IFRS 4). This standard is not applicable to the Group.

*Other essential standards and interpretations adopted by the IASB approved in 2022 or not yet approved by the European Union:*

- Amendment to IAS 1 – Classification of liabilities as current or non-current;
- Amendment to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction.

### 2.2 Main estimations and judgements

The preparation of the consolidated financial statements requires the use of estimates and assumptions by the Group's management to determine the value of certain assets and liabilities, and of certain income and expenses, as well as concerning the information given in the notes to the financial statements.

Management reviews its estimates and assumptions on a regular basis using its past experience and various other factors deemed reasonable in the circumstances.

The actual results may differ significantly from these estimates depending on changes in the various assumptions and performance conditions.

**The main estimates made by the Group concerned the following measurements:**

- Measurement of investment properties (see Notes 2.4.5 "Investment properties" and 7.1 "Investment properties");

The methodologies used by the appraisers are identical to those used for the previous financial year and take into account changes in market data in the context of the health, economic and financial crisis. At the date of the appraisals, the appraisers consider that the market data are sufficient and relevant enough to provide a basis for their value assessments for the real estate assets appraised.

- Measurement of trade receivables (see Notes 2.4.10 “Financial assets and liabilities” and 7.4.2 “Trade and other operating receivables”);
- Measurement of net property income and services using the percentage-of-completion method (see Note 2.4.17 “Revenue and revenue-related expenses”).
- Measurement of goodwill and brands (please see Note 2.4.7 “Monitoring the value of non-current assets (excluding financial assets and investment property) and losses of value” and 7.2 “Intangible assets and goodwill”).

And less significantly,

- Measurement of share-based payments (see Notes 2.4.12 “Share-based payments” and 6.1 “Equity”);
- Measurement of financial instruments (see Note 8 “Financial risk management”).

The accounting estimates made by the Group were made in the context of the economic and financial conditions (inflation, rising interest rates, war in Ukraine, etc.).

The Group has taken into account the reliable information available to it at the date of preparation of the consolidated financial statements regarding the impacts of these situations.

**In addition to the use of estimates, the Group’s management has applied its judgement in the following cases:**

- Measurement of rights of use, lease liabilities and contractual fees on investment property (see Notes 2.4.18 “Rental contracts”, 7.3 “Right-of-use on tangible and intangible fixed assets” and 7.1 “Investment properties”);
- Measurement of deferred tax assets (see Notes 2.4.16 “Taxes” and 5.3 “Corporate income Tax”);
- Measurement of provisions (see Note 2.4.15 “Provisions and contingent liabilities” and see Note 6.3 “Provisions”);
- Whether or not the criteria to identify an asset or group of assets as held for sale or whether an operation is intended to be discontinued in accordance with IFRS 5 (see Note 2.4.6 “Non-current assets held for sale and discontinued operations” and 7.1 “Investment properties”).

The Group’s financial statements also take into account, based on current knowledge and practices, the issues of climate change and sustainable development.

Mitigating climate change and resilience to these changes are among the priorities in the Group’s CSR strategy. In 2021, the Group strengthened its commitment to the fight against climate change with two key areas of decarbonisation of its activities:

- for portfolio assets, Altarea is aiming for carbon neutrality by 2030 (Scopes 1 and 2);
- for Business property and Residential development projects, Altarea is committed to a low-carbon city, in

particular by producing residential units that is half as carbon intensive by 2031 as in 2021 (Scope 3).

The Group’s current exposure to the consequences of short-term climate change is limited. Consequently, at this stage, the data has not significantly impacted the financial statements.

The notes listed above and numbered 2.4.xx refer to the notes to the consolidated financial statements for the financial year ended 31 December 2021.

## 2.3 Other principles for presenting the financial statements

### Transactions eliminated in the consolidated financial statements

Balance sheet balances and income and expenses arising from intragroup transactions are eliminated when the consolidated financial statements are prepared.

### Balance sheet classification

In accordance with IAS 1, the Company presents its assets and liabilities by distinguishing between current and non-current items.

Assets which must be realised, consumed or disposed of within the scope of the normal operating cycle or within 12 months following closure, are classed as “current assets”, as well as the assets held with a view to disposal and cash or cash equivalents. All other assets are classified as “non-current assets”.

Liabilities which have to be paid within the scope of the normal operating cycle or within 12 months following closure are classified as “current liabilities”, as well as the share of provisions arising from the normal operating cycle of the activity concerned due in less than one year.

Deferred taxes are always shown as non-current assets or liabilities.

## NOTE 3 INFORMATION ON OPERATING SEGMENTS

### 3.1 Balance sheet items by operating segment

At 30 June 2022

	Retail	Residential	Business Property	Other	TOTAL
<i>(€ millions)</i>					
<b>Operating assets and liabilities</b>					
Intangible assets	17.9	281.3	21.5	11.1	331.8
Property plant and equipment	0.7	23.3	–	2.2	26.2
Right-of-use on tangible and intangible fixed assets	0.3	127.4	0.1	0.1	127.8
Investment properties	4,103.9	0.0	36.2	–	4,140.1
Securities and investments in equity affiliates	127.7	159.2	136.6	–	423.5
Operational working capital requirement	(61.0)	835.4	34.7	81.6	890.6
<b>Total operating assets and liabilities</b>	<b>4,189.4</b>	<b>1,426.6</b>	<b>229.1</b>	<b>95.0</b>	<b>5,940.1</b>

At 31 December 2021

	Retail	Residential	Business Property	Other	TOTAL
<i>(€ millions)</i>					
<b>Operating assets and liabilities</b>					
Intangible assets	18.0	282.3	21.5	10.6	332.5
Property plant and equipment	0.7	24.7	–	2.3	27.8
Right-of-use on tangible and intangible fixed assets	0.3	127.9	0.1	0.1	128.4
Investment properties	4,140.6	0.2	36.0	–	4,176.8
Securities and investments in equity affiliates	121.9	170.7	166.8	–	459.4
Operational working capital requirement	58.7	682.0	13.1	(23.2)	730.6
<b>Total operating assets and liabilities</b>	<b>4,340.2</b>	<b>1,288.0</b>	<b>237.5</b>	<b>(10.2)</b>	<b>5,855.5</b>

### 3.2 Consolidated income statement by operating segment

See consolidated income statement by segment in the notes to the financial statements.

### 3.3 Reconciliation of the statement of consolidated comprehensive income and of the consolidated income statement by segment

#### 3.3.1 Statement of comprehensive income with the same breakdown as the income statement by segment

(€ millions)	30/06/2022			31/12/2021			30/06/2021		
	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs (chg. val.)	TOTAL	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs (chg. val.)	TOTAL	Funds from operations (FFO)	Changes in value, estimated expenses and transaction costs (chg. val.)	TOTAL
Rental income	101.4	–	101.4	186.7	–	186.7	84.0	–	84.0
Property expenses	(2.0)	–	(2.0)	(1.9)	–	(1.9)	(0.8)	–	(0.8)
Unrecoverable rental expenses	(6.0)	–	(6.0)	(8.9)	–	(8.9)	(4.5)	–	(4.5)
Expenses re-invoiced to tenants	–	–	–	55.1	–	55.1	32.4	–	32.4
Rental expenses	(6.0)	–	(6.0)	(64.0)	–	(64.0)	(36.9)	–	(36.9)
Other expenses	0.1	–	0.1	(1.6)	–	(1.6)	(1.2)	–	(1.2)
Net charge to provisions for current assets	1.4	–	1.4	(11.8)	–	(11.8)	(6.4)	–	(6.4)
<b>Net rental income</b>	<b>94.8</b>	<b>–</b>	<b>94.8</b>	<b>162.5</b>	<b>–</b>	<b>162.5</b>	<b>71.0</b>	<b>–</b>	<b>71.0</b>
Revenue	1,300.0	–	1,300.0	2,796.2	0.0	2,796.2	1,318.9	–	1,318.9
Cost of sales	(1,126.0)	(0.5)	(1,126.5)	(2,446.4)	(0.1)	(2,446.5)	(1,168.6)	–	(1,168.6)
Other income	(48.2)	(0.0)	(48.2)	(102.4)	(0.0)	(102.4)	(49.0)	(0.0)	(49.0)
Net charge to provisions for current assets	(8.4)	0.1	(8.3)	(10.3)	0.2	(10.1)	(0.1)	–	(0.1)
<b>Net property income</b>	<b>117.4</b>	<b>(0.4)</b>	<b>117.0</b>	<b>237.1</b>	<b>0.1</b>	<b>237.2</b>	<b>101.3</b>	<b>(0.0)</b>	<b>101.3</b>
External services	21.1	–	21.1	46.9	–	46.9	21.0	–	21.0
Own work capitalised and production held in inventory	99.2	–	99.2	196.6	–	196.6	92.7	–	92.7
Personnel costs	(108.9)	(13.8)	(122.7)	(223.9)	(29.7)	(253.6)	(106.2)	(10.8)	(116.9)
Other overhead expenses	(36.3)	0.1	(36.2)	(68.0)	(0.0)	(68.1)	(30.9)	0.0	(30.9)
Depreciation expenses on operating assets	–	(14.3)	(14.3)	–	(29.5)	(29.5)	–	(14.7)	(14.7)
<b>Net overhead expenses</b>	<b>(24.8)</b>	<b>(28.1)</b>	<b>(52.9)</b>	<b>(48.4)</b>	<b>(59.3)</b>	<b>(107.6)</b>	<b>(23.3)</b>	<b>(25.5)</b>	<b>(48.8)</b>
Other income and expenses	(3.9)	0.4	(3.5)	(9.0)	(0.9)	(9.8)	(4.3)	(0.8)	(5.1)
Depreciation expenses	–	(0.0)	(0.0)	–	(0.2)	(0.2)	–	(0.1)	(0.1)
Transaction costs	–	(12.0)	(12.0)	–	(14.9)	(14.9)	–	(5.9)	(5.9)
<b>Other</b>	<b>(3.9)</b>	<b>(11.6)</b>	<b>(15.5)</b>	<b>(9.0)</b>	<b>(15.9)</b>	<b>(24.9)</b>	<b>(4.3)</b>	<b>(6.8)</b>	<b>(11.2)</b>
Proceeds from disposal of investment assets	–	0.5	0.5	–	8.9	8.9	–	4.2	4.2
Carrying amount of assets sold	–	(0.5)	(0.5)	–	(10.2)	(10.2)	–	(5.6)	(5.6)
<b>Net gain/(loss) on disposal of investment assets</b>	<b>–</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>(1.3)</b>	<b>(1.3)</b>	<b>–</b>	<b>(1.4)</b>	<b>(1.4)</b>
Change in value of investment properties	–	47.3	47.3	–	39.9	39.9	–	17.9	17.9
Net impairment losses on investment properties measured at cost	–	–	–	–	(4.8)	(4.8)	–	(4.0)	(4.0)
Net impairment losses on other non-current assets	–	0.5	0.5	–	(1.2)	(1.2)	–	(1.0)	(1.0)
Net charge to provisions for risks and contingencies	–	1.2	1.2	–	(11.5)	(11.5)	–	(9.0)	(9.0)
<b>OPERATING INCOME BEFORE THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES</b>	<b>183.5</b>	<b>8.9</b>	<b>192.4</b>	<b>342.3</b>	<b>(54.0)</b>	<b>288.3</b>	<b>144.6</b>	<b>(29.8)</b>	<b>114.9</b>
Share in earnings of equity-method affiliates	10.9	1.1	12.1	24.3	(5.2)	19.1	7.1	(3.9)	3.2
<b>OPERATING INCOME AFTER THE SHARE OF NET INCOME OF EQUITY-METHOD AFFILIATES</b>	<b>194.5</b>	<b>10.0</b>	<b>204.5</b>	<b>366.6</b>	<b>(59.2)</b>	<b>307.4</b>	<b>151.8</b>	<b>(33.7)</b>	<b>118.1</b>
Net borrowing costs	(17.7)	7.9	(9.8)	(49.2)	(5.4)	(54.6)	(25.2)	(2.8)	(28.0)
Financial expenses	(24.9)	7.9	(17.0)	(63.1)	(5.4)	(68.5)	(32.1)	(2.8)	(34.9)
Financial income	7.2	–	7.2	13.9	–	13.9	6.9	–	6.9
Other financial results	(15.4)	–	(15.4)	(20.1)	(8.6)	(28.7)	(8.8)	(5.7)	(14.5)
Change in value and income from disposal of financial instruments	–	73.8	73.8	–	5.7	5.7	–	0.9	0.9
Net gain/(loss) on disposal of investments <sup>(a)</sup>	28.9	8.8	37.7	38.3	7.9	46.2	38.3	0.3	38.6
<b>Profit before tax</b>	<b>190.3</b>	<b>100.4</b>	<b>290.7</b>	<b>335.7</b>	<b>(59.6)</b>	<b>276.1</b>	<b>156.1</b>	<b>(41.0)</b>	<b>115.2</b>
Corporate income tax	(22.2)	(13.3)	(35.5)	(20.1)	6.2	(13.9)	(14.6)	13.9	(0.7)
<b>NET INCOME</b>	<b>168.0</b>	<b>87.1</b>	<b>255.2</b>	<b>315.6</b>	<b>(53.4)</b>	<b>262.1</b>	<b>141.5</b>	<b>(27.1)</b>	<b>114.4</b>
<b>o/w Attributable to Altarea SCA shareholders</b>	<b>130.1</b>	<b>68.5</b>	<b>198.6</b>	<b>264.4</b>	<b>(52.7)</b>	<b>211.6</b>	<b>118.0</b>	<b>(14.5)</b>	<b>103.5</b>
o/w Attributable to minority interests in subsidiaries	(38.0)	(18.6)	(56.6)	(51.2)	0.7	(50.5)	(23.5)	12.6	(11.0)
Average number of non-diluted shares <sup>(b)</sup>	20,119,215	20,119,215	20,119,215	18,024,260	18,024,260	18,024,260	17,636,878	17,636,878	17,636,878
<b>Net income per share attributable to shareholders of Altarea SCA (€)</b>	<b>6.47</b>	<b>3.41</b>	<b>9.87</b>	<b>14.67</b>	<b>(2.93)</b>	<b>11.74</b>	<b>6.69</b>	<b>(0.82)</b>	<b>5.87</b>
Diluted average number of shares <sup>(b)</sup>	20,605,953	20,605,953	20,605,953	18,424,086	18,424,086	18,424,086	17,946,437	17,946,437	17,946,437
<b>Diluted net income per share attributable to shareholders of Altarea SCA (€)</b>	<b>6.31</b>	<b>3.33</b>	<b>9.64</b>	<b>14.35</b>	<b>(2.86)</b>	<b>11.49</b>	<b>6.58</b>	<b>(0.81)</b>	<b>5.77</b>

(a) Gains or losses on disposals of equity interests have been reallocated to each of the activities concerned by the gains or losses when it relates to an investment previously fully consolidated or a share of the equity-method affiliates when the equity disposed of was previously in an equity-method company.

(b) Pursuant to IAS 33, the weighted average number of shares (diluted and non-diluted) at 30 June 2021 is retrospectively adjusted to take into account the capital increase with preferential subscription rights held in December 2021.

### 3.3.2 Reconciliation of operating income between the two income statements

	30/06/2022					31/12/2021					30/06/2021				
	Retail	Residential	BP <sup>(1)</sup>	Other	TOTAL	Retail	Residential	BP <sup>(1)</sup>	Other	TOTAL	Retail	Residential	BP <sup>(1)</sup>	Other	TOTAL
<i>(€ millions)</i>															
Net rental income	94.8	–	–	–	94.8	162.5	–	–	–	162.5	71.0	–	–	–	71.0
Net property income	(0.4)	88.2	29.2	(0.0)	117.0	(0.9)	204.0	34.2	(0.1)	237.2	(0.0)	93.7	7.6	(0.1)	101.3
Net overhead expenses	(8.6)	(29.5)	(3.5)	(11.2)	(52.9)	(15.6)	(72.3)	(13.4)	(6.3)	(107.6)	(7.9)	(27.2)	(3.2)	(10.5)	(48.8)
Other	(1.1)	(1.0)	0.2	(13.6)	(15.5)	(9.5)	(5.4)	1.4	(11.3)	(24.9)	(3.8)	(1.5)	0.4	(6.3)	(11.2)
Net gain/(loss) on disposal of investment assets	0.0	–	0.0	–	0.0	(1.3)	–	–	–	(1.3)	(1.3)	–	–	(0.1)	(1.4)
Value adjustments	47.3	0.5	0.0	–	47.8	33.1	(1.2)	2.0	–	33.9	12.3	(1.0)	1.6	–	13.0
Net charge to provisions for risks and contingencies	1.1	0.2	(0.4)	0.3	1.2	(10.6)	(1.1)	(0.2)	0.3	(11.5)	(7.9)	(1.1)	(0.3)	0.3	(9.0)
Share in earnings of equity-method affiliates	3.5	3.9	4.7	–	12.1	0.8	11.4	7.0	–	19.1	(2.6)	4.2	1.6	–	3.2
<b>OPERATING INCOME (Statement of consolidated comprehensive income)</b>	<b>136.6</b>	<b>62.3</b>	<b>30.2</b>	<b>(24.6)</b>	<b>204.5</b>	<b>158.4</b>	<b>135.4</b>	<b>31.0</b>	<b>(17.4)</b>	<b>307.4</b>	<b>59.8</b>	<b>67.1</b>	<b>7.8</b>	<b>(16.6)</b>	<b>118.1</b>
Reclassification of net gain/(loss) on disposal of investments			28.9		28.9			38.3		38.3			38.3		38.3
<b>OPERATING INCOME (Consolidated income statement by segment)</b>	<b>136.6</b>	<b>62.3</b>	<b>59.0</b>	<b>(24.6)</b>	<b>233.3</b>	<b>158.4</b>	<b>137.7</b>	<b>69.3</b>	<b>(19.7)</b>	<b>345.8</b>	<b>59.8</b>	<b>67.1</b>	<b>46.1</b>	<b>(16.6)</b>	<b>156.5</b>

(1) BP: Business property

### 3.4 Revenue by geographical region and operating segment

#### By geographical region

	30/06/2022					31/12/2021					30/06/2021				
	France	Italy	Spain	Other	Total	France	Italy	Spain	Other	Total	France	Italy	Spain	Other	Total
<i>(€ millions)</i>															
Rental income	92.4	3.0	6.0	–	101.4	170.8	6.3	9.5	–	186.7	77.4	1.7	4.9	–	84.0
External services	8.3	0.7	0.1	–	9.1	22.2	1.3	0.3	–	23.8	8.5	0.6	0.1	–	9.2
Property development	–	–	–	–	–	–	6.4	–	–	6.4	–	3.5	–	–	3.5
<b>Retail</b>	<b>100.7</b>	<b>3.7</b>	<b>6.1</b>	<b>–</b>	<b>110.5</b>	<b>193.0</b>	<b>14.0</b>	<b>9.8</b>	<b>–</b>	<b>216.8</b>	<b>85.9</b>	<b>5.8</b>	<b>5.0</b>	<b>–</b>	<b>96.7</b>
Revenue	1,140.3	–	–	–	1,140.3	2,484.7	–	–	–	2,484.7	1,203.4	–	–	–	1,203.4
External services	7.1	–	–	–	7.1	13.3	–	–	–	13.3	5.3	–	–	–	5.3
<b>Residential</b>	<b>1,147.4</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,147.4</b>	<b>2,498.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,498.0</b>	<b>1,208.7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,208.7</b>
Revenue	159.7	–	–	–	159.7	305.2	–	–	–	305.2	112.0	–	–	–	112.0
External services	4.6	–	–	0.2	4.9	9.3	–	–	0.4	9.8	6.3	–	–	0.2	6.4
<b>Business Property</b>	<b>164.3</b>	<b>–</b>	<b>–</b>	<b>0.2</b>	<b>164.6</b>	<b>314.5</b>	<b>–</b>	<b>–</b>	<b>0.4</b>	<b>314.9</b>	<b>118.2</b>	<b>–</b>	<b>–</b>	<b>0.2</b>	<b>118.4</b>
Others (Corporate)	0.1	–	–	–	0.1	0.1	–	–	–	0.1	0.1	–	–	–	0.1
<b>TOTAL</b>	<b>1,412.4</b>	<b>3.7</b>	<b>6.1</b>	<b>0.2</b>	<b>1,422.5</b>	<b>3,005.6</b>	<b>14.0</b>	<b>9.8</b>	<b>0.4</b>	<b>3,029.8</b>	<b>1,412.9</b>	<b>5.8</b>	<b>5.0</b>	<b>0.2</b>	<b>1,424.0</b>

The Altarea Group operates mainly in France, Italy and Spain in 2022, as in 2021.

One client accounted for more than 10% of the Group's revenue in the Residential sector, *i.e.*, €213 million in 2022 and €489.5 million in 2021.

## NOTE 4 MAJOR EVENTS AND CHANGES IN THE SCOPE OF CONSOLIDATION

### 4.1 Major events

#### Retail

In accordance with the partnership agreements announced in June 2021, Altarea and Crédit Agricole Assurances finalised their partnership on the creation of the Alta Infrastructures fund, specialised in European stations retails. Thus, in the first quarter of 2022, Altarea sold 49% of its stake in this stations under concessions, which are the Paris-Montparnasse station and five stations in Italy (Milan, Turin, Rome, Padua and Naples).

#### Business Property

##### Grand Paris

The Group has made significant progress in the Paris Region, notably with:

- the sale to Crédit Agricole Assurances of a 10% stake in Bridge, Orange's global head office in Issy-les-Moulineaux (58,000 m<sup>2</sup>);
- the delivery of the first of three office buildings intended to house the future head office of the Caisse Nationale de Prévoyance (CNP) as part of the large mixed-use Issy-Cœur de Ville project.

#### Modification of the dividend payment terms

Following the Supervisory Board meeting held on 24 April, it was decided to change the terms of payment of the annual dividend as follows:

- the dividend proposed in respect of financial year 2021 is unchanged at €9.75/share (vs €9.50 last year),
- the payment date is now set at 31 May 2022 (vs 28 June initially) with an ex-dividend date on 27 May,
- the dividend was paid in full in cash (removal of the option of partial payment in shares), in the amount of €199.8 million.

#### Buyback of three bond issues

Altarea successfully completed a buyback offer for three existing senior bonds (Altarea July 2024, Altareit July 2025 and Altarea January 2028), for a total amount of €270 million (respectively, €120.3 million, €99.6 million and €50.0 million). With this transaction, the Group was able to optimise its liquidity through proactive management of its liabilities on capital markets and so optimise its available cash and the volume and cost of its financial debt.

#### Primonial

On 2 March 2022, Altarea informed the public that the acquisition of the Primonial Group could not be completed on the terms agreed. In the course of reviewing the legal documentation, some elements of which were only disclosed on 25 February 2022, Altarea found that the conditions

precedent agreed for the acquisition of the Primonial Group on 2 March 2022 had not been met, due to non-respect - in substance, form and deadlines - of the provisions of the acquisition protocol signed in July 2021, which has lapsed following the failure to complete the prior operations required by the protocol.

Given the non-completion of the Primonial acquisition, the Company and its indirect subsidiary Alta Percier were cited before the Paris Commercial Court by the different shareholder groups in New Primonial Holding 2 (parent of the Primonial Group) seeking compensation for their alleged damages. Altarea and Alta Percier plan to contest the complaints made, which they consider without merit, and to take all legal measures to, first, defend their legitimate interests and, second, hold Primonial shareholders liable and obtain compensation for the damages incurred by the Group. To this end, on 20 June 2022, Altarea and Alta Percier filed claims in response in a voluntary intervention before the Paris Commercial Court.

On the date of publication of the Group's interim consolidated financial statements, the case is ongoing.

## 4.2 Scope

The main companies within the scope of consolidation, selected by revenue and total assets criteria, are as follows:

COMPANY	LEGAL FORM	SIREN		30/06/2022			31/12/2021		
				Method	Interest	Integration	Method	Interest	Integration
ALTAREA	SCA	335480877	parent company	FC	100.0%	100.0%	FC	100.0%	100.0%
<b>Retail France</b>									
ALTAREA FRANCE	SCA	324814219		FC	100.0%	100.0%	FC	100.0%	100.0%
NR 21	SCA	335480877		FC	96.8%	100.0%	FC	96.8%	100.0%
FONDS PROXIMITÉ	SNC	348024050	affiliate	EM	25.0%	25.0%	EM	25.0%	25.0%
ALDETA	SASU	311765762		FC	33.3%	100.0%	FC	33.3%	100.0%
ALTA BLUE	SAS	522193796		FC	33.3%	100.0%	FC	33.3%	100.0%
ALTAREA PROMOTION COMMERCE	SNC	420490948		FC	100.0%	100.0%	FC	100.0%	100.0%
ALTA CRP AUBERGENVILLE	SNC	451226328		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA AUSTERLITZ	SNC	812196616		FC	100.0%	100.0%	FC	100.0%	100.0%
BERCY VILLAGE	SCI	384987517		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CARRÉ DE SOIE	SCI	449231463	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
FONCIERE CEZANNE MATIGNON	SNC	348024050		FC	100.0%	100.0%	FC	100.0%	100.0%
FONCIERE ALTAREA	SASU	353900699		FC	100.0%	100.0%	FC	100.0%	100.0%
SOCIETE D'AMENAGEMENT DE LA GARE DE L'EST	SNC	481104420		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP GENNEVILLIERS	SNC	488541228		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA GRAMONT	SAS	795254952		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP GUIPAVAS	SNC	451282828		FC	51.0%	100.0%	FC	51.0%	100.0%
LIMOGES INVEST	SCI	488237546		FC	50.9%	100.0%	FC	50.9%	100.0%
SNC MACDONALD COMMERCES	SNC	524049244	affiliate	EM	25.0%	25.0%	EM	25.0%	25.0%
ALTAREA MANAGEMENT	SNC	509105375		FC	100.0%	100.0%	FC	100.0%	100.0%
ALTA-MONTPARNASSE	SNC	524049244		FC	51.0%	100.0%	FC	100.0%	100.0%
LES VIGNOLES RETAIL PARK	SNC	512086117		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA ORGEVAL	SNC	795338441		FC	99.9%	100.0%	FC	99.9%	100.0%
OPCI ALTA COMMERCE EUROPE	SPPICAV		joint venture	EM	29.9%	29.9%	EM	29.9%	29.9%
ALTA QWARTZ	SNC	433806726		FC	100.0%	100.0%	FC	100.0%	100.0%
THAIS SHOPPING CENTRE	SNC	479873234		FC	51.0%	100.0%	FC	51.0%	100.0%
ALTA CRP LA VALETTE	SNC	494539687		FC	51.0%	100.0%	FC	51.0%	100.0%
<b>Retail Italy</b>									
ALTAGARES	SRL	N/A		FC	51.0%	100.0%	FC	100.0%	100.0%
ALTAREA ITALIA	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
<b>Retail Spain</b>									
ALTAREA ESPANA	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
ALTAREA PATRIMAE	SRL	N/A		FC	100.0%	100.0%	FC	100.0%	100.0%
<b>Residential</b>									
ALTAREIT	SCA	552091050		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM RESIDENCES SERVICES	SNC	394648455	joint venture	EM	64.9%	65.0%	EM	64.9%	65.0%
ALTAREA COGEDIM IDF GRANDE METROPOLE	SNC	810928135		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTAREA COGEDIM GRANDS PROJETS	SNC	810926519		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTAREA COGEDIM REGIONS	SNC	810847905		FC	99.9%	100.0%	FC	99.9%	100.0%
FINANCIERE SPL	SAS	499459204		FC	99.9%	100.0%	FC	99.9%	100.0%
SEVERINI	SNC	848899977		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTA FAUBOURG	SASU	444560874		FC	99.9%	100.0%	FC	99.9%	100.0%
PITCH PROMOTION	SAS	450042338		FC	99.9%	100.0%	FC	99.9%	100.0%
MARSEILLE MICHELET	SNC	792774382		FC	99.9%	100.0%	FC	99.9%	100.0%
COEUR MOUGINS	SNC	453830663		FC	99.9%	100.0%	FC	99.9%	100.0%
ISSY COEUR DE VILLE	SNC	830181079		FC	99.9%	100.0%	FC	99.9%	100.0%
ISSY COEUR DE VILLE COMMERCES	SNC	828184028		FC	99.9%	100.0%	FC	99.9%	100.0%
HP	SAS	480309731		FC	99.9%	100.0%	FC	99.9%	100.0%
HISTOIRE ET PATRIMOINE DEVELOPPEMENT	SAS	480110931		FC	99.9%	100.0%	FC	99.9%	100.0%
MERIMEE	SNC	849367016		FC	99.9%	100.0%	FC	99.9%	100.0%
HISTOIRE ET PATRIMOINE PROMOTION	SASU	792751992		FC	99.9%	100.0%	FC	99.9%	100.0%
ALTAREA COGEDIM ZAC VLS	SNC	811910447		FC	99.9%	100.0%	FC	99.9%	100.0%
BEZONS COEUR DE VILLE A1 & A2-LOGEMENTS	SCCV	819929845		FC	99.9%	100.0%	FC	99.9%	100.0%
GIF MOULON A4	SCCV	830886115		FC	25.0%	100.0%	FC	25.0%	100.0%
BOBIGNY COEUR DE VILLE	SNC	838941011		FC	99.9%	100.0%	FC	99.9%	100.0%
SCCV GARENNE FERRY FAUVELLES	SCCV	894504083	joint venture	EM	49.9%	50.0%	EM	49.9%	50.0%
SCCV ROSNY-REPUBLIQUE	SCCV	900274051	joint venture	EM	49.9%	50.0%	EM	49.9%	50.0%
PITCH IMMO	SASU	422989715		FC	99.9%	100.0%	FC	99.9%	100.0%
PIN BALMA CHATEAU CAMAS	SCCV	821556230	joint venture	EM	54.9%	55.0%	EM	54.9%	55.0%
ARTCHIPEL	SCCV	841150071		FC	99.9%	100.0%	FC	99.9%	100.0%
CLICHY ROGUET	SCCV	880090212		FC	50.9%	100.0%	FC	50.9%	100.0%
RUEIL HIGH GARDEN	SCCV	887670115		FC	99.9%	100.0%	FC	99.9%	100.0%
LE CLOS DES VIGNES	SCCV	884097114		FC	50.9%	100.0%	FC	50.9%	100.0%
COGEDIM HAUTS DE FRANCE	SNC	420810475		FC	99.9%	100.0%	FC	99.9%	100.0%
MB TRANSACTIONS	SASU	425039138		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM GESTION	SNC	380375097		FC	99.9%	100.0%	FC	99.9%	100.0%
COVALENS	SNC	309021277		FC	99.9%	100.0%	FC	99.9%	100.0%

COMPANY	LEGAL FORM	SIREN		30/06/2022			31/12/2021		
				Method	Interest	Integration	Method	Interest	Integration
COGEDIM PARIS METROPOLE	SNC	319293916		FC	99.9%	100.0%	FC	99.9%	100.0%
ASNIERES AULAGNIER	SARL	487631996	joint venture	EM	49.9%	50.0%	EM	49.9%	50.0%
COGEDIM GRAND LYON	SNC	300795358		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM MEDITERRANEE	SNC	312347784		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM PROVENCE	SNC	442739413		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM MIDI-PYRÉNÉES	SNC	447553207		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM GRENOBLE	SNC	418868584		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM SAVOIES-LEMAN	SNC	348145541		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM AQUITAINE	SNC	388620015		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM ATLANTIQUE	SNC	501734669		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM LANGUEDOC ROUSSILLON	SNC	532818085		FC	99.9%	100.0%	FC	99.9%	100.0%
COGEDIM	SASU	54500814		FC	99.9%	100.0%	FC	99.9%	100.0%
SAS CLICHY BOREALES	SAS	879035939	affiliate	EM	30.0%	30.0%	EM	30.0%	30.0%
CLICHY 33 LANDY	SAS	898926308		FC	50.0%	100.0%	FC	50.0%	100.0%
LYON LES MOTEURS	SNC	824866388		FC	99.9%	100.0%	FC	99.9%	100.0%
COGIMO	SAS	962502068		FC	99.9%	100.0%	FC	99.9%	100.0%
LYON LES MOTEURS	SNC	899326516		FC	50.9%	100.0%	FC	50.9%	100.0%
MENTON HAUT CAREI	SCCV	829544303		FC	59.9%	100.0%	FC	59.9%	100.0%
CALCADE DE MOUGINS	SNC	833132426		FC	50.9%	100.0%	FC	50.9%	100.0%
WOODEUM RESIDENTIAL	SAS	807674775		EM	50.0%	50.0%	EM	50.0%	50.0%
61-75 PARIS AVENUE DE FRANCE	SCCV	830917100	joint venture	EM	49.9%	50.0%	EM	49.9%	50.0%
NEUILLY GALLIENI	SCCV	839954377		FC	69.9%	100.0%	FC	69.9%	100.0%
LES PANTINOISES LOT 6	SCCV	840317309		FC	50.0%	100.0%	FC	50.0%	100.0%
ROMAINVILLE ROUSSEAU	SCCV	852604909		FC	50.9%	100.0%	FC	50.9%	100.0%
ISSY GUYNEMER	SNC	891166209		FC	50.9%	100.0%	FC	50.9%	100.0%
CLICHY RUE DU 19 MARS 1962	SNC	903468148		FC	50.0%	100.0%	FC	50.0%	100.0%
<b>Business Property</b>									
ALTAREA COGEDIM ENTREPRISE PROMOTION	SNC	535056378		FC	99.9%	100.0%	FC	99.9%	100.0%
PRD MONTPARNASSE 2	SCI	852712439	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
PRD MONTPARNASSE 3	SCI	852712587	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
80-98 RUE DE REUILLY	SCI	420762775		FC	100.0%	100.0%	FC	100.0%	100.0%
AF INVESTCO ARAGO	SNC	494382351	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
AF INVESTCO 5	SNC	798601936	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
AF INVESTCO 7	SNC	798601936	affiliate	EM	30.1%	30.1%	EM	30.1%	30.1%
B2 B3	SCCV	852921899	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
ALTA VAI HOLDCO A	SAS	424007425		FC	99.9%	100.0%	FC	99.9%	100.0%
FONCIERE ALTAREA MONTPARNASSE	SNC	847726650		FC	100.0%	100.0%	FC	100.0%	100.0%
ISSY PONT	SCI	804865996	joint venture	IN	0.0%	0.0%	EM	10.0%	10.0%
PASCALHOLDCO	SPPICAV	809845951	affiliate	EM	15.0%	15.1%	EM	15.0%	15.1%
PASCALPROPCO	SASU	437929813	affiliate	EM	15.0%	15.1%	EM	15.0%	15.1%
PRD MONTPARNASSE	SCI	844634758	joint venture	EM	50.0%	50.0%	EM	50.0%	50.0%
ISSY COEUR DE VILLE PROMOTION BUREAUX	SNC	829845536		FC	99.9%	100.0%	FC	99.9%	100.0%

### 4.3 Changes in consolidation scope

	31/12/2021	Acquisition	Creation	Sale	Absorption, dissolution, deconsolidation	Change in consolidation method	30/06/2022
<i>(in number of companies)</i>							
Fully consolidated subsidiaries	441		7		(19)	4	433
Joint ventures <sup>(a)</sup>	142		3		(7)	(4)	134
Affiliates <sup>(a)</sup>	71		2			-	73
<b>Total</b>	<b>654</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>(26)</b>	<b>-</b>	<b>642</b>

(a) Companies accounted for using the equity method.

#### 4.3.1 Detail of net acquisitions of consolidated companies, net of cash

<i>(€ millions)</i>	30/06/2022	31/12/2021	30/06/2021
Investments in consolidated securities	(0.6)	(17.6)	(17.6)
Liabilities on acquisition of consolidated participating interests	-	-	0.9
Cash of acquired companies	6.2	(0.1)	(0.1)
<b>Total</b>	<b>5.5</b>	<b>(17.7)</b>	<b>(16.8)</b>

During the half-year, there were changes of control at a number of the Group's Property Development entities.

In 2021, the Group bought the securities of a company in a logistics site in Paris.

The Group did not carry out any business combinations during the half-year.

#### 4.3.2 Detail of disposals of consolidated companies, net of cash disposed of

During the half-year,

- the Group completed the sale to Crédit Agricole Assurances of the last 10% held in Bridge, Orange's global head office in Issy-les-Moulineaux;
- at the beginning of the year, the Group signed a partnership with Crédit Agricole Assurances covering the shops at the Paris-Montparnasse station and those of five Italian stations. The joint ventures are now 51% owned by the Group. The partner acquired a stake in the companies through a reserved capital increase in each of them, and the acquisition of shares (hence sale of shares by the Group). In accordance with the shareholders' agreement, the relevant activities stay controlled by the Group, who maintains control (within the meaning of IFRS 10) each of these companies (fully consolidated companies).

### 4.4 Business combinations

## 4.5 Securities and investments in equity affiliates

In application of IFRS 10, 11 and 12, the following are recognised under securities and receivables on equity

affiliates, investments in joint ventures and associated companies, including receivables from these holdings.

### 4.5.1 Equity-accounting value of joint ventures and affiliates and related receivables

(€ millions)	30/06/2022	31/12/2021
Equity-accounting value of joint ventures	88.3	104.8
Equity-accounting value of affiliated companies	41.2	44.0
<b>Value of stake in equity-method affiliates</b>	<b>129.5</b>	<b>148.8</b>
Receivables from joint ventures	165.8	191.7
Receivables from affiliated companies	128.2	118.9
<b>Receivables from equity-method subsidiaries</b>	<b>294.0</b>	<b>310.6</b>
<b>Total securities and receivables in equity affiliates</b>	<b>423.5</b>	<b>459.4</b>

As of 30 June 2022, the decrease in the equity method value of joint ventures is mainly due to dividends.

Receivables from joint ventures and receivables from affiliates relating to Property Development come to €251.3 million.

### 4.5.2 Main balance sheet and income statement items of joint ventures and affiliates

(€ millions)	Joint ventures	Affiliates	30/06/2022	Joint ventures	Affiliates	31/12/2021	Joint ventures	Affiliates	30/06/2021
<b>Balance sheet items, Group share:</b>									
Non-current assets	401.6	237.8	639.4	397.2	226.7	623.9	374.2	219.7	593.8
Current assets	371.9	209.7	581.5	453.4	250.0	703.5	461.3	228.4	689.7
<b>Total Assets</b>	<b>773.4</b>	<b>447.5</b>	<b>1,220.9</b>	<b>850.6</b>	<b>476.7</b>	<b>1,327.3</b>	<b>835.5</b>	<b>448.0</b>	<b>1,283.5</b>
Non-current liabilities	143.8	210.6	354.4	178.9	201.9	380.8	147.5	193.3	340.8
Current liabilities	541.3	195.7	737.0	566.9	230.9	797.8	585.3	206.7	792.0
<b>Total Liabilities</b>	<b>685.2</b>	<b>406.3</b>	<b>1,091.4</b>	<b>745.8</b>	<b>432.7</b>	<b>1,178.5</b>	<b>732.8</b>	<b>400.0</b>	<b>1,132.7</b>
<b>Net assets (equity-accounting basis)</b>	<b>88.3</b>	<b>41.2</b>	<b>129.5</b>	<b>104.8</b>	<b>44.0</b>	<b>148.8</b>	<b>102.7</b>	<b>48.1</b>	<b>150.8</b>
<b>Share of income statement items, Group share:</b>									
<b>Operating income</b>	<b>12.5</b>	<b>0.6</b>	<b>13.2</b>	<b>26.2</b>	<b>3.6</b>	<b>29.7</b>	<b>8.2</b>	<b>0.0</b>	<b>8.2</b>
Net borrowing costs	(1.7)	(2.2)	(3.9)	(3.7)	(4.2)	(7.9)	(1.9)	(2.0)	(3.9)
Other financial results	(1.6)	(0.1)	(1.7)	(0.9)	(0.5)	(1.3)	(1.3)	(0.1)	(1.4)
Change in value of financial instruments	1.1	0.8	1.8	0.5	0.2	0.7	0.2	0.1	0.3
Proceeds from the disposal of investments	–	–	–	–	–	–	–	–	–
<b>Net income before tax</b>	<b>10.3</b>	<b>(0.9)</b>	<b>9.4</b>	<b>22.1</b>	<b>(0.9)</b>	<b>21.2</b>	<b>5.3</b>	<b>(2.0)</b>	<b>3.3</b>
Corporate income tax	2.0	0.7	2.7	(1.8)	(0.2)	(2.0)	(0.6)	0.6	(0.1)
<b>Net income by equity method (after tax)</b>	<b>12.3</b>	<b>(0.2)</b>	<b>12.1</b>	<b>20.3</b>	<b>(1.1)</b>	<b>19.1</b>	<b>4.7</b>	<b>(1.4)</b>	<b>3.2</b>
Non-Group net income	(0.0)	0.0	(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0	0.0
Net income, Group share	12.3	(0.2)	12.1	20.3	(1.1)	19.1	4.7	(1.4)	3.2

Joint ventures and associates are not individually significant for the purposes of presenting the financial information on an aggregate basis.

Group revenues from joint ventures amount to €1.8 million at 30 June 2022, compared with €16.5 million at 30 June 2021 and €21.2 million at 31 December 2021.

Group revenues from affiliates amount to €3.7 million at 30 June 2022, compared with €3.8 million at 30 June 2022 and €7.8 million at 31 December 2022.

### 4.5.3 Commitments given or received in connection with joint ventures (in Group share)

#### Commitments given

Cogedim Résidences Services undertook to pay rent in connection with the leasing of the Résidences Services Cogedim Club®. In the context of the application of IFRS 16, these contracts have been restated in the financial statements of the companies.

In exchange, Cogedim Résidences Services receives the lease payments of the sub-lessees, these continuing to be commitments.

Financial guarantees for the completion of works were given as part of the property development activity, and amounted to a share of €45.0 million at 30 June 2022.

#### Commitments received

As of 30 June 2022, the main commitments received by the joint ventures relate to security deposits received from tenants in the amount of €2.6 million.

### 4.6 Current and non-current financial assets

At 30 June 2022, current and non-current financial assets amounted to €44.3 million, compared with €50.3 million at 31 December 2021, and consist mainly of:

- deposits and guarantees paid on projects: €14.9 million, compared with 14.9 million for 2021;
- loans and receivables, recognised at amortised cost: €19.6 million, compared with €30.9 million for 2021.

## NOTE 5 RESULT

### 5.1 Operating income

#### 5.1.1 Net rental income

Net rental income includes rental income, land expenses, non-recovered service charges, other expenses and net allowances for impairment for bad debts.

Net rental income amounted to €94.8 million in 2022, compared to €71.0 million in the first half of 2021, *i.e.* an increase of 33.5%.

#### 5.1.2 Net property income

The Group's net property income stood at €117.0 million in 2022 compared to €101.3 million in June 2021, *i.e.* an increase of 15.5%.

The Residential Backlog of the fully-consolidated companies stands at €3,490 million at 30 June 2022.

The Business Property Development Backlog of the fully-consolidated companies is €278 million at 30 June 2022.

### 5.2 Cost of net financial debt and other financial items

#### 5.2.1 Cost of net financial debt

(€ millions)	30/06/2022	31/12/2021	30/06/2021
Bond and bank interest expenses	(21.6)	(55.6)	(27.3)
Interest on partners' advances	1.7	3.9	2.0
Interest rate on hedging instruments	2.2	2.6	0.2
Other financial income and expenses	(0.1)	(0.0)	(0.0)
<b>FFO financial income and expenses</b>	<b>(17.7)</b>	<b>(49.2)</b>	<b>(25.2)</b>
Spreading of bond issue costs and other estimated expenses <sup>(a)</sup>	7.9	(5.4)	(2.8)
<b>Net borrowing costs</b>	<b>(9.8)</b>	<b>(54.6)</b>	<b>(28.0)</b>

*(a) Relates mainly to the deferral in accordance with the amortised cost method of the issue costs of borrowings and bond issue premiums in accordance with IFRS 9 for -€ 4.2 million, and the gain on the bond buyback (amount lower than par value).*

The average cost of debt is the ratio of the total financial costs of short- and long-term financial instruments including related fees (commitment fees, non-use fees, etc.) to the average debt for the period. The Group's average cost of debt (excluding the impact of IFRS 16) was 1.66% at 30 June 2022, compared with 1.80% at 31 December 2021.

#### 5.2.2 Other financial results

Other financial results correspond in particular to interest expenses on rental obligations or royalties on investment properties.

#### 5.2.3 Impact of result of financial instruments

This item is mainly a net expense of €73.8 million, of which -€10.9 million related to compensation payments (paid or pending) on financial instruments (compared to -€12.7 million as of 30 June 2021) and €83.7 million in change in fair value of interest rate hedging instruments (compared to -€13.6 million as of 30 June 2021).

## 5.3 Corporate income tax

### Analysis of tax expense

Tax expense is analysed as follows:

(€ millions)	30/06/2022	31/12/2021	30/06/2021
<b>Tax due</b>	<b>(22.2)</b>	<b>(20.1)</b>	<b>(14.6)</b>
Tax loss carry forwards and/or use of deferred losses	(1.8)	(16.7)	(7.4)
Valuation differences	–	0.0	–
Fair value of investment properties	(2.8)	0.7	2.9
Fair value of hedging instruments	0.1	0.0	(0.0)
Income by percentage of completion	(2.9)	13.7	8.8
Other timing differences	(5.9)	8.4	9.7
<b>Deferred tax</b>	<b>(13.3)</b>	<b>6.2</b>	<b>13.9</b>
<b>Total tax income (expense)</b>	<b>(35.5)</b>	<b>(13.9)</b>	<b>(0.7)</b>

### Effective tax rate

(€ millions)	30/06/2022	31/12/2021	30/06/2021
<b>Pre-tax profit of consolidated companies</b>	<b>278.6</b>	<b>256.9</b>	<b>111.9</b>
<b>Group tax savings (expense)</b>	<b>(35.5)</b>	<b>(13.9)</b>	<b>(0.7)</b>
<b>Effective tax rate</b>	<b>(12.74)%</b>	<b>(5.42)%</b>	<b>(0.64)%</b>
Tax rate in France	25.83%	27.37%	27.37%
<b>Theoretical tax charge</b>	<b>(72.0)</b>	<b>(70.3)</b>	<b>(30.6)</b>
<b>Difference between theoretical and effective tax charge</b>	<b>36.5</b>	<b>56.4</b>	<b>29.9</b>
Differences related to entities' SIIC status	28.8	27.0	4.7
Differences related to treatment of losses	6.7	3.5	4.6
Other permanent differences and rate differences	1.0	25.8	20.6

### Deferred tax assets and liabilities

(€ millions)	30/06/2022	31/12/2021
Tax loss carry forwards	60.4	62.3
Valuation differences	(27.2)	(27.2)
Fair value of investment properties	(22.2)	(19.4)
Fair value of financial instruments	(0.0)	(0.2)
Income by percentage of completion	(65.3)	(61.9)
Other timing differences	5.3	1.1
<b>Net deferred tax on the balance sheet</b>	<b>(49.1)</b>	<b>(45.4)</b>

As at 30 June 2022, the Group had unrecognised tax loss carry-forwards of €389.0 million (basis), as compared with €403.2 million for the year ending 31 December 2021.

Deferred taxes relating to valuation differences correspond primarily to the brands held by the Group.

Deferred taxes relating to the activation of tax losses mainly relate to losses recognised in the tax consolidation group Altareit and losses partially activated in the taxable sector of some SIIC companies.

Deferred taxes are calculated (for French companies, which make up most of the Group's scope) at the rate of 25.83%, the rate set by the French Finance Act for 2022.

## 5.4 Net income per share

Net earnings per share (basic earnings per share) is the net income (Group share) compared to the weighted average number of shares in issue during the period, less the weighted average number of treasury shares.

To calculate the diluted net income per share, the weighted average number of shares in issue is adjusted to take into account the potentially dilutive effect of all equity instruments issued by the Company.

In 2022, as in 2021, the dilution arose only from the granting of rights to free shares in Altarea SCA to Group employees.

The average number of shares in June 2021 was adjusted to take into account the capital increase carried out in December 2021 with preferential subscription rights (PSR) in accordance with IAS 33. The preferential subscription right is treated as a value distributed free of charge to shareholders.

The adjustment coefficient is based on the ratio between the value of the share before detachment of the preferential subscription right and the value of the share ex this right. This coefficient was applied until the date of the capital increase.

The average number of undiluted shares reported as 17,170,633 in June 2021 has been adjusted to 17,636,878, which corresponds to an undiluted net earnings per share of €5.87 instead of €6.03 published.

The published average number of diluted shares for June 2021 has been adjusted from 17,479,992 reported to 17,946,437, which corresponds to diluted net earnings per share of €5.77 instead of the €5.92 published.

(€ millions)	30/06/2022	31/12/2021	30/06/2021
<b>Numerator</b>			
Net income, Group share	198.6	211.6	103.5
<b>Denominator</b>			
Weighted average number of shares before dilution	20,119,215	18,024,260	17,636,878
Effect of potentially dilutive shares			
<i>Stock options</i>	0	0	0
<i>Rights to free share grants</i>	486,738	399,825	309,559
Total potential dilutive effect	486,738	399,825	309,559
Weighted diluted average number of shares	20,605,953	18,424,086	17,946,437
<b>NET INCOME, GROUP SHARE, UNDILUTED PER SHARE (€)</b>	<b>9.87</b>	<b>11.74</b>	<b>5.87</b>
<b>NET INCOME, GROUP SHARE, DILUTED PER SHARE (€)</b>	<b>9.64</b>	<b>11.49</b>	<b>5.77</b>

## NOTE 6 LIABILITIES

### 6.1 Equity

#### 6.1.1 Share capital, share-based payments and treasury shares

##### CAPITAL

##### Altarea SCA share capital (in euros)

<i>In number of shares and in €</i>	Number of shares	Nominal	Share Capital
<b>Number of shares outstanding at 31 December 2020</b>	<b>17,275,839</b>	<b>15.28</b>	<b>263,982,998</b>
Share capital increase reserved for SCI VDE Reuilly shareholders	39,277	15.28	600,153
Share capital increase <i>via</i> the part-conversion of dividends into shares	60,580	15.28	925,662
Share capital increase reserved for Mutual Funds	482,385	15.28	7,370,843
Share capital increase of 10 December 2021	2,435,190	15.28	37,209,703
<b>Number of shares outstanding at 31 December 2021</b>	<b>20,293,271</b>	<b>15.28</b>	<b>310,089,359</b>
<b>Number of shares outstanding at 30 June 2022</b>	<b>20,293,271</b>	<b>15.28</b>	<b>310,089,359</b>

##### Capital management

The aim of the Group's capital management is to ensure liquidity and optimise its capital structure.

##### SHARE-BASED PAYMENTS

The gross expense recognised on the income statement for share-based payments is €12.9 million at 30 June 2022, compared with €9.7 million at 30 June 2021.

No stock option plan is underway as at 30 June 2022.

##### Free share grants

Award date	Number of rights awarded	Vesting date	Rights in circulation as at 31/12/2021	Awarded	Deliveries	Amendments to rights (a)	Rights in circulation as at 30/06/2022
<b>Share grant plans on Altarea shares</b>							
19 March 2019	41,531	19 March 2022	34,364		(33,305)	(1,059)	
6 June 2019	1,355	20 March 2022	1,140		(940)	(200)	
21 October 2019	20,000 (b)	30 March 2022	20,000			(20,000)	
21 April 2020	18,479	21 April 2022	17,963		(17,340)	(623)	
22 April 2020	45,325	22 April 2023	40,874			(2,422)	38,452
24 April 2020	2,000	24 April 2022	2,000		(2,000)	-	
31 March 2021	121,080	1 April 2022	118,662		(115,360)	(3,302)	
31 March 2021	10,000	1 April 2022	10,000		(10,000)	-	
30 April 2021	73,050 (b)	31 March 2024	71,045			(3,519)	67,526
4 June 2021	32,000 (b)	31 March 2025	32,000			-	32,000
4 June 2021	27,500 (b)	31 March 2025	27,500			-	27,500
4 June 2021	45,500 (b)	31 March 2025	45,500			-	45,500
4 June 2021	14,000 (b)	31 March 2025	14,000			(1,250)	12,750
4 June 2021	23,700 (b)	31 March 2025	23,700			(1,500)	22,200
4 June 2021	30,000 (b)	31 March 2025	30,000			-	30,000
1 September 2021	600	1 September 2023	600			-	600
1 October 2021	2,000	30 March 2023	2,000			-	2,000
1 February 2022	275 (b)	1 March 2023		275			275
1 March 2022	14,000	31 March 2025		14,000			14,000
31 March 2022	99,292	1 April 2023		99,292			99,292
31 March 2022	31,800	1 April 2024		31,800			31,800
31 March 2022	73,590 (b)	1 April 2024		73,590			73,590
30 April 2022	3,250	31 March 2025		3,250			3,250
30 April 2022	1,250	31 March 2025		1,250			1,250
<b>Total</b>	<b>731,577</b>		<b>491,348</b>	<b>223,457</b>	<b>(178,945)</b>	<b>(33,875)</b>	<b>501,985</b>

(a) Rights cancelled for reasons of departure, transfer, lack of certainty that performance criteria have been met or changes in plan terms.

(b) Plans subject to performance criteria.

## Valuation parameters for new free share grants

	30/06/2022
Dividend rate	6.0%
Risk-free interest rate	0.0% to 0.8%

## TREASURY SHARES

The acquisition cost of treasury shares was €19.1 million at 30 June 2022 for 128,199 shares (including 126,613 shares intended for allotment to employees under free share grant or stock option plans and 1,586 shares allocated to a liquidity contract), compared with €33.8 million at 31 December 2021 for 205,406 shares (including 204,799 shares intended for allotment to employees under free share grant or stock option plans and 607 shares allocated to a liquidity contract). Treasury shares are eliminated and offset directly in equity.

In addition, a net loss on disposal and/or free share grants of treasury shares to Company employees was recognised directly in equity in the amount of -€29.1 million before tax at 30 June 2022 (-€22.0 million after tax) compared with -€21.5 million at 31 December 2021 (-€15.9 million after tax).

The negative impact on cash flow from purchases and disposals over the period comes to -€14.8 million at 30 June 2022 compared with -€31.3 million at 31 December 2021.

## 6.1.2 Dividends proposed and paid

### Dividends paid

(€ millions)	30/06/2022	31/12/2021
Paid in current year in respect of previous year:		
<i>Dividend per share (€)</i>	9.75	9.50
Payment to shareholders of the Altarea Group	196.9	163.6
Proportional payment to the general partner (1.5%)	3.0	2.5
<b>TOTAL</b>	<b>199.8</b>	<b>166.1</b>
Offer to convert dividends into shares:		
<i>Subscription price (€)</i>		155.51
<b>Total amount of conversion into shares</b>		<b>88.6</b>
<i>Rate of conversion of dividends into shares on the 50% option</i>		91.59%

### Modification of the dividend payment terms:

Following the Supervisory Board meeting held on 24 April, it was decided to change the terms of payment of the annual dividend as follows:

- the dividend proposed in respect of the 2021 financial year is unchanged at €9.75/share (vs €9.50 last year), in the amount of €199.8 million,

- the payment date is now set at 31 May 2022 (vs 28 June initially) with an ex-dividend date on 27 May,

- the dividend was paid in full in cash (removal of the option of partial payment in shares).

## 6.2 Net financial debt and guarantees

### Current and non-current borrowings and financial liabilities, and net cash

("€ millions)	31/12/2021	Cash flow	"Non-cash" change					30/06/2022
			Spreading of issue costs	Change in scope of consolidation	Update	Change in method	Reclassification	
Bonds (excluding accrued interest)	1,723.2	(268.3)	1.4	–	–	–	(0.0)	1,456.3
Short and medium term negotiable securities	759.0	(228.0)	–	–	–	–	–	531.0
Bank borrowings, excluding accrued interest and overdrafts	746.4	(81.0)	2.8	11.0	–	–	–	679.1
<b>Net bond and bank debt, excluding accrued interest and overdrafts</b>	<b>3,228.6</b>	<b>(577.4)</b>	<b>4.2</b>	<b>11.0</b>	<b>–</b>	<b>–</b>	<b>(0.0)</b>	<b>2,666.5</b>
Accrued interest on bond and bank borrowings	29.0	(2.6)	–	0.0	–	–	–	26.4
<b>Bond and bank debt, excluding overdrafts</b>	<b>3,257.6</b>	<b>(580.0)</b>	<b>4.2</b>	<b>11.0</b>	<b>–</b>	<b>–</b>	<b>(0.0)</b>	<b>2,692.8</b>
Cash and cash equivalents	(1,625.5)	602.7	–	–	–	–	(0.0)	(1,022.8)
Bank overdrafts	13.6	(2.0)	–	–	–	–	–	11.6
<b>Net cash</b>	<b>(1,612.0)</b>	<b>600.7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(0.0)</b>	<b>(1,011.3)</b>
<b>Net bond and bank debt</b>	<b>1,645.6</b>	<b>20.7</b>	<b>4.2</b>	<b>11.0</b>	<b>–</b>	<b>–</b>	<b>(0.0)</b>	<b>1,681.5</b>
Equity loans and Group and partners' advances	134.2	(22.4)	–	15.3	–	–	(0.0)	127.1
Accrued interest on shareholders' advances	0.7	(0.0)	–	–	–	0.0	–	0.7
Lease liabilities	154.3	(8.5)	–	–	–	–	7.9	153.7
Contractual fees on investment properties	169.9	(1.1)	–	–	–	–	1.4	170.2
<b>Net financial debt</b>	<b>2,104.7</b>	<b>(11.3)</b>	<b>4.2</b>	<b>26.3</b>	<b>–</b>	<b>–</b>	<b>9.4</b>	<b>2,133.2</b>

(\* ) of which allocation of income to related current accounts for €9.8 million

### 6.2.1 Net financial bond and bank debt

Group net financial bond and bank debt amounts to €1,681.5 million at 30 June 2022, compared with €1,645.6 million at 31 December 2021.

#### During the half-year, the Group:

- repaid a €80 million term loan early;
- bought back through a public offering in June 2022,
  - o €120.3 million in Altarea bonds due in July 2024 with a coupon of 2.25%
  - o €50.0 million in Altarea bonds maturing in January 2028 with a coupon of 1.875%
  - o €99.6 million of Altareit bonds due in July 2025 with a coupon of 2.875%,
- decreased its issue of medium-term and short-term negotiable securities (over €228 million). The Group continued to make use of short- and medium-term resources via NEU-CP (issues up to one year) and NEU-MTN (issues in excess of one year) programmes.

At 30 June 2022, no revolving loan had been drawn down.

Borrowing costs are analysed in the note on earnings.

#### Net cash

Net cash amounted to €1,011.3 million, including cash equivalents (mainly term accounts – for €50.3 million) which are recorded at their fair value at each reporting date.

### Breakdown of bank and bond debt by maturity

("€ millions)	30/06/2022	31/12/2021
< 3 months	237.2	366.3
3 to 6 months	260.3	170.2
6 to 9 months	73.6	114.2
9 to 12 months	1.2	93.8
<b>At less than 1 year</b>	<b>572.2</b>	<b>744.6</b>
At 2 years	195.5	209.1
At 3 years	334.4	541.8
At 4 years	469.0	540.2
At 5 years	50.1	106.1
<b>1 to 5 years</b>	<b>1,049.0</b>	<b>1,397.3</b>
<b>More than 5 years</b>	<b>1,096.2</b>	<b>1,144.9</b>
Issuance cost to be amortised	(13.0)	(15.6)
<b>Total gross bond and bank debt</b>	<b>2,704.4</b>	<b>3,271.1</b>

The decrease in the portion of bond and bank debt at less than one year is mainly due to the decrease in negotiable securities and their maturity schedule. The portion between one and five years also declined, mainly following the buyback of 2024 and 2025 bonds; the portion at more than five years has been reduced by the repurchase of the 2028 bond issue.

### Breakdown of bank and bond debt by guarantee

("€ millions)	30/06/2022	31/12/2021
Mortgages	350.0	350.0
Mortgage commitments	132.5	114.4
Moneylender lien	10.3	10.8
Altarea SCA security deposit	194.0	200.0
Not guaranteed	2,030.6	2,611.6
<b>Total</b>	<b>2,717.4</b>	<b>3,286.8</b>
Issuance cost to be amortised	(13.0)	(15.6)
<b>Total gross bond and bank debt</b>	<b>2,704.4</b>	<b>3,271.1</b>

Mortgages are given as collateral for the financing or refinancing of investment properties. Mortgage commitments and the lender's lien mainly concern Property Development activities.

## Breakdown of bank and bond debt by interest rate

Gross bond and bank debt			
(€ millions)	Variable rate	Fixed rate	Total
At 30 June 2022	1,223.7	1,480.7	2,704.4
At 31 December 2021	1,521.9	1,749.3	3,271.1

The market value of fixed-rate debt stands at €1,238.9 million at 30 June 2022, compared with €1,789.4 million at 31 December 2021.

## Schedule of future interest expenses

(€ millions)	30/06/2022	31/12/2021
< 3 months	2.0	3.9
3 to 6 months	3.2	4.9
6 to 9 months	9.3	17.5
9 to 12 months	3.8	6.0
<b>At less than 1 year</b>	<b>18.3</b>	<b>32.3</b>
At 2 years	49.8	52.9
At 3 years	39.9	52.1
At 4 years	31.5	41.5
At 5 years	13.0	19.7
<b>1 to 5 years</b>	<b>134.2</b>	<b>166.2</b>

These future interest expenses concern borrowings and financial instruments, and are presented exclusive of accrued interest not payable.

## 6.2.2 Lease liabilities

Lease liabilities are debts mainly relating to real estate leases and vehicle leases (respectively for the premises occupied and the vehicles used by Group employees).

The sum of these liabilities totals €153.7 million at 30 June 2022, compared with €154.3 million at 31 December 2021. They are seen in light of the right-of-use assets on tangible and intangible assets.

## 6.2.3 Contractual fees on Investment properties

Contractual fees on investment properties, which are economically different in nature from rental obligations, concern debts relating to temporary occupancy authorisations and construction leases on retail assets (mainly stations).

The value of these fees amounts to €170.2 million as at 30 June 2022, compared to €169.9 million at 31 December 2021, with regard to the rights-of-use relating to investment properties (income-generating assets).

## 6.2.4 Breakdown by due date for lease liabilities and contractual fees on investment properties

(€ millions)	30/06/2022	31/12/2021
< 3 months	4.8	4.6
3 to 6 months	5.2	4.6
6 to 9 months	4.6	4.6
9 to 12 months	4.6	4.9
<b>At less than 1 year</b>	<b>19.3</b>	<b>18.7</b>
At 2 years	18.3	17.2
At 3 years	18.2	17.0
At 4 years	17.8	16.9
At 5 years	18.1	18.0
<b>1 to 5 years</b>	<b>72.4</b>	<b>69.1</b>
<b>More than 5 years</b>	<b>232.1</b>	<b>236.4</b>
<b>Total lease liabilities and contractual fees on investment properties</b>	<b>323.9</b>	<b>324.2</b>

## 6.2.5 Elements of net debt set out in the cash flow table

(€ millions)	Cash flow
Issuance of borrowings and other financial liabilities	590.5
Repayment of borrowings and other financial liabilities	(1,200.0)
<b>Change in borrowing and other financial liabilities</b>	<b>(609.5)</b>
Repayment of lease liabilities	(9.7)
Change in cash balance	(600.7)
<b>Total change in net financial debt (TFT)</b>	<b>(1,219.9)</b>
Net bond and bank debt, excluding accrued interest and overdrafts	(577.4)
Net cash	(600.7)
Equity loans and Group and partners' advances	(22.4)
Lease liabilities	(8.5)
Contractual fees on investment properties	(1.1)
Allocation of income to shareholder current accounts	(9.8)
<b>Total change in net financial debt</b>	<b>(1,219.9)</b>

## 6.3 Provisions

(€ millions)	30/06/2022	31/12/2021
Provision for benefits payable at retirement	13.6	16.2
Other provisions	19.4	20.6
<b>Total provisions</b>	<b>32.9</b>	<b>36.8</b>

The provision for post-employment benefits was valued by an external actuary. The valuation and accounting principles are detailed in the Company's accounting principles and methods. The main assumptions used to assess the commitment are the staff turnover rate, the discount rate and the salary increase rate: a variation of +/- 0.25% of these last two criteria would not result in no significant impact.

**Other provisions primarily cover:**

- repayment risk on rental guarantees granted upon the disposal (in part or in whole) of non-current assets;
- the risk of disputes arising from construction operations;
- the risk of the failure of certain co-developer;
- as well as estimates of residual risks involving completed programmes (litigation, ten-year guarantee, definitive general statement, etc.).

## NOTE 7 ASSETS AND IMPAIRMENT TESTS

### 7.1 Investment properties

(€ millions)	Investment properties			Assets held for sale	Total Investment properties
	measured at fair value	measured at cost	right-of-use		
<b>At 31 December 2021</b>	<b>3,814.5</b>	<b>192.8</b>	<b>169.6</b>	<b>8.3</b>	<b>4,185.1</b>
Subsequent investments and expenditures	3.8	1.5	–	–	5.4
Change in spread of incentives to buyers	0.3	–	–	–	0.3
Disposals/repayment of down payments made	–	–	–	(0.5)	(0.5)
Net impairment/project discontinuation	–	–	–	–	–
Transfers to assets held for sale or to or from other categories	(84.4)	(6.8)	1.4	84.4	(5.4)
New right-of-use assets and indexation	–	–	–	–	–
Change in fair value	48.6	–	(1.2)	(0.1)	47.3
Change in scope of consolidation	–	–	–	–	–
<b>At 30 June 2022</b>	<b>3,782.8</b>	<b>187.5</b>	<b>169.8</b>	<b>92.0</b>	<b>4,232.1</b>

As of 30 June 2022, no interest expenses have been capitalised for projects under development and construction.

#### Investment properties at fair value

The main movements concern changes in fair value of shopping centres in operation.

#### Investment properties valued at cost

The assets under development and under construction recognised at cost mainly concern the development and redevelopment projects of shopping centres in France.

The Group reviewed all of its ongoing projects. This review did not lead to the recording of additional impairment over the half-year.

#### Rights of use on Investment properties

The right-of-use assets on investment properties correspond to the valuation under IFRS 16 of the temporary occupancy authorisation contracts for investment properties. They meet the definition of investment properties and are measured using the fair value model. Subsequently, they are valued at the amount equal to the debt presented on the line of the balance-sheet "Contractual fees on investment properties".

#### Value Measurement – IFRS 13

In accordance with IFRS 13 – "Fair Value Measurement" and the EPRA's recommendation on IFRS 13, "EPRA Position Paper on IFRS 13 – Fair Value Measurement and Illustrative Disclosures, February 2013", the Group chose to present additional parameters used to determine the fair value of its property portfolio.

The Altea Cogedim Group considered that classifying its assets in level 3 was most appropriate. This treatment reflects the primarily unobservable nature of the data used in the assessments, such as rents from rental statements, capitalisation rates and average annual growth rate of rents. The tables below thus present a number of quantitative parameters used to determine the fair value of the property portfolio. These parameters apply only to shopping centres controlled exclusively by the Group (and therefore do not include assets accounted for under the equity method) and which are measured at fair value by the expert appraisers.

	Initial capitalisation rate	Rent in € per m <sup>2</sup>	Discount rate	Capitalisation rate at exit	AAGR of net rental income	
	a	b	c	d	e	
France	Maximum	8.4%	741	8.1%	7.0%	9.0%
	Minimum	4.1%	41	5.3%	3.8%	1.2%
	Weighted average	5.1%	402	6.4%	5.1%	2.8%

a - The initial capitalisation rate is the net rental income relative to the appraisal value excluding transfer duties.

b - Annual average rent (minimum guaranteed rent plus variable rent) per asset and m<sup>2</sup>.

c - Rate used to discount the future cash flows.

d - Rate used to capitalise the revenue in the exit year in order to calculate the asset's exit value.

e - Average Annual Growth Rate of net rental income.

Based on a Group weighted average capitalisation rate, a +0.25% increase in capitalisation rates would lead to a reduction of -€160.0 million in the value of investment properties (-4.85%), while a -0.25% decrease in capitalisation rates would increase the value of investment properties by €185.4 million (+5.62%).

#### Breakdown of the portfolio measured at fair value by asset type

(€ millions)	30/06/2022	31/12/2021
Regional shopping centres	2,514.8	2,480.8
Travel retail	524.5	520.9
Retail parks	691.6	677.2
Others	51.8	135.5
<b>TOTAL</b>	<b>3,782.8</b>	<b>3,814.5</b>

#### Investment working capital requirement

(€ millions)	Receivables on fixed assets	Amounts due on non-current assets	Investment WCR
<b>At 31 December 2021</b>	<b>0.2</b>	<b>(144.7)</b>	<b>(144.5)</b>
Variations	0.6	27.3	28.0
Present value adjustment	-	-	-
Transfers	-	-	-
Change in scope of consolidation	-	(0.0)	(0.0)
<b>At 30 June 2022</b>	<b>0.8</b>	<b>(117.4)</b>	<b>(116.5)</b>
<b>Change in WCR at 30 June 2022</b>	<b>0.6</b>	<b>27.3</b>	<b>28.0</b>

#### Net acquisitions of assets and capitalised expenditures

(€ millions)	30/06/2022	31/12/2021	30/06/2021
<b>Type of non-current assets acquired:</b>			
Intangible assets	(2.8)	(9.6)	(7.2)
Property plant and equipment	(1.2)	(7.6)	(4.5)
Investment properties	(33.0)	(89.4)	(38.4)
<b>Total</b>	<b>(37.0)</b>	<b>(106.6)</b>	<b>(50.1)</b>

## 7.2 Goodwill and other intangible assets

(€ millions)	Gross values	Amortisation and/or impairment	30/06/2022	31/12/2021
<b>Goodwill</b>	<b>449.9</b>	<b>(240.6)</b>	<b>209.4</b>	<b>209.4</b>
<b>Brands</b>	<b>105.4</b>	<b>–</b>	<b>105.4</b>	<b>105.4</b>
<b>Customer relationships</b>	<b>192.9</b>	<b>(192.9)</b>	<b>–</b>	<b>–</b>
Software applications, patents and similar rights	65.0	(48.3)	16.7	17.3
Leasehold right	0.3	–	0.3	0.3
Others	0.1	(0.0)	0.1	0.1
<b>Other intangible assets</b>	<b>65.4</b>	<b>(48.3)</b>	<b>17.1</b>	<b>17.7</b>
<b>TOTAL</b>	<b>813.6</b>	<b>(481.8)</b>	<b>331.8</b>	<b>332.5</b>

(€ millions)	30/06/2022	31/12/2021
<b>Net values at beginning of the period</b>	<b>332.5</b>	<b>330.4</b>
Acquisitions of intangible assets	2.8	9.6
Disposals and write-offs	(0.0)	(1.5)
Changes in scope of consolidation and other	–	–
Net allowances for depreciation	(3.4)	(6.1)
<b>Net values at the end of the period</b>	<b>331.8</b>	<b>332.5</b>

### Goodwill generated by the Property Development business

Goodwill is mainly acquisitions of Cogedim, Pitch Immo and Histoire & Patrimoine.

The monitoring of business indicators for Property development segments did not reveal any evidence of impairment.

### Brands

The Group owns the following brands: Cogedim, Pitch Immo, Histoire & Patrimoine and Severini. These brands, of a total value of €105.4 million, have an indefinite useful life and are thus not amortised.

No impairment loss was identified this semester.

## 7.3 Right-of-use on tangible and intangible fixed assets

(€ millions)	Land and Constructions	Vehicles	Other	Gross rights to use	Amort. Land and Constructions	Amort. Vehicles	Amort. Others	Depr./Amort	Net rights to use
<b>At 31 December 2021</b>	<b>153.1</b>	<b>4.7</b>	<b>0.8</b>	<b>158.6</b>	<b>(27.5)</b>	<b>(2.0)</b>	<b>(0.6)</b>	<b>(30.2)</b>	<b>128.4</b>
New contracts/Increases	6.9	1.1	–	7.9	(7.5)	(0.7)	(0.1)	(8.3)	(0.4)
Contract terminations/Reversals	(0.2)	(0.9)	(0.5)	(1.6)	0.1	0.8	0.5	1.4	(0.2)
<b>At 30 June 2022</b>	<b>159.8</b>	<b>4.9</b>	<b>0.3</b>	<b>165.0</b>	<b>(34.9)</b>	<b>(2.0)</b>	<b>(0.2)</b>	<b>(37.2)</b>	<b>127.8</b>

The assets recognised in respect of right-of-use property leases mainly concern the leases of premises occupied by the Group's employees, and vehicle leases.

These assets are initially measured at cost with a corresponding lease liability (see Note 6.2). They are amortised on a straight-line basis over the reasonably certain lease term.

The lease term used for each contract corresponds to the reasonably certain lease term, *i.e.* the non-cancellable period

adjusted for early termination options that the Group is reasonably certain not to exercise and extension options the Group is reasonably certain to exercise.

The changes are related to the signing of new property leases and/or the revision of contracts such as:

- changes to the rental contract,
- Increase or decrease in the lease term or the amount of rents indexed to an index or rate.

## 7.4 Operational working capital requirement

### Summary of components of operational working capital requirement

(€ millions)	30/06/2022	31/12/2021	Flows		
			Created by the business	Changes in consolidation scope and transfer	Change in consolidation method
<b>Net inventories and work in progress</b>	<b>1,046.8</b>	<b>922.6</b>	<b>90.7</b>	<b>33.5</b>	<b>–</b>
<b>Contract assets</b>	<b>676.8</b>	<b>714.1</b>	<b>(58.2)</b>	<b>21.0</b>	<b>–</b>
Net trade receivables	331.8	340.7	(13.5)	4.6	(0.0)
Other operating receivables net	517.5	517.4	(3.1)	2.7	0.0
<b>Trade and other operating receivables net</b>	<b>849.2</b>	<b>858.0</b>	<b>(16.7)</b>	<b>7.4</b>	<b>0.0</b>
<b>Contract liabilities</b>	<b>(219.1)</b>	<b>(168.1)</b>	<b>(51.0)</b>	<b>–</b>	<b>–</b>
Trade payables	(905.3)	(1,008.6)	109.6	(5.7)	–
Other operating payables	(557.9)	(587.3)	53.0	(23.6)	0.0
<b>Trade payables and other operating liabilities</b>	<b>(1,463.1)</b>	<b>(1,595.9)</b>	<b>162.6</b>	<b>(29.3)</b>	<b>0.0</b>
<b>Operational WCR</b>	<b>890.6</b>	<b>730.6</b>	<b>127.5</b>	<b>32.5</b>	<b>0.0</b>

The Group's operational working capital requirement (excluding receivables and payables on the sale or acquisition of fixed assets) is essentially linked to the Property Development sector.

Changes in scope and transfers mainly reflect a transfer in the Retail business (assets transferred from investment properties to inventories following a change in the nature of the project) and changes in the scope of consolidation in the Property Development business.

### 7.4.1 Inventories and pipeline products

(€ millions)	Gross inventories	Impairment	Net inventories
<b>At 31 December 2021</b>	<b>939.1</b>	<b>(16.5)</b>	<b>922.6</b>
Change	95.4	(0.0)	95.4
Increases	–	(8.9)	(8.9)
Reversals	–	4.2	4.2
Transfers to or from other categories	6.9	–	6.9
Change in scope of consolidation	26.5	–	26.5
<b>At 30 June 2022</b>	<b>1,068.0</b>	<b>(21.2)</b>	<b>1,046.8</b>

The change in inventories is mainly due to changes in the Group's Property Development business.

Changes in scope are mainly related to changes in scope within the Property Development business and asset transfers (investment properties to inventories) are due to changes in the nature of projects.

## 7.4.2 Trade and other receivables

(€ millions)	30/06/2022	31/12/2021
<b>Gross trade receivables</b>	<b>372.3</b>	<b>384.6</b>
<b>Opening impairment</b>	<b>(43.9)</b>	<b>(36.8)</b>
Increases	(12.1)	(31.5)
Change in scope of consolidation	0.1	–
Reversals	15.0	24.3
Other changes	0.3	0.0
<b>Closing impairment</b>	<b>(40.6)</b>	<b>(43.9)</b>
<b>Net trade receivables</b>	<b>331.8</b>	<b>340.7</b>
Advances and down payments paid	48.5	43.1
VAT receivables	317.9	343.2
Sundry debtors	47.3	32.1
Prepaid expenses	62.0	52.9
Principal accounts in debit	43.2	47.1
<b>Total other operating receivables gross</b>	<b>518.9</b>	<b>518.3</b>
<b>Opening impairment</b>	<b>(1.0)</b>	<b>(1.1)</b>
Increases	(0.5)	(0.2)
Reclassification	–	0.0
Reversals	0.0	0.3
<b>Closing impairment</b>	<b>(1.4)</b>	<b>(1.0)</b>
<b>Net operating receivables</b>	<b>517.5</b>	<b>517.4</b>
<b>Trade receivables and other operating receivables</b>	<b>849.2</b>	<b>858.0</b>
Receivables on sale of assets	0.8	0.2
<b>Trade and other receivables</b>	<b>850.1</b>	<b>858.2</b>

### Trade receivables

The Group carries out a case-by-case analysis to assess the credit risk of its tenants in centres in operation, and to write down, if necessary, the receivables of tenants where there is evidence that the Company will not be able to collect all amounts due.

Receivables on off-plan sales (VEFA) are recorded inclusive of all taxes and represent revenues on a percentage-of-completion basis less receipts received from customers.

### Advances and down payments paid

Advances and down payments correspond primarily to compensation for loss of use paid by the Group to the sellers of land when preliminary sales agreements are signed (for those not covered by guarantees) as part of its Property development business. They are offset against the price to be paid on completion of the purchase.

### Principal accounts in debit

As part of its property management business and real estate transactions, the Group presents the cash balance it manages for third parties on its balance sheet.

## 7.4.3 Trade and other payables

(€ millions)	30/06/2022	31/12/2021
<b>Trade payables and related accounts</b>	<b>905.3</b>	<b>1,008.6</b>
Advances and down payments received from clients	21.1	23.4
VAT collected	271.9	321.8
Other tax and social security payables	71.4	63.6
Prepaid income	13.3	10.0
Other payables	137.1	121.4
Principal accounts in credit	43.0	47.2
<b>Other operating payables</b>	<b>557.9</b>	<b>587.3</b>
Amounts due on non-current assets	117.4	144.7
<b>Trade and other payables</b>	<b>1,580.5</b>	<b>1,740.6</b>

### Payables on acquisition of assets

Payables on acquisition of assets correspond mainly to debts to suppliers for shopping centres just completed or under development.

## NOTE 8 MANAGEMENT OF FINANCIAL RISKS

The Group is exposed to the following risks as part of its operational and financing activities: interest rate risk, liquidity risk, counterparty risk and currency risk.

### 8.1 Carrying amount of financial instruments by category

At 30 June 2022

(€ millions)	Total carrying amount	Financial assets and liabilities carried at amortised cost			Financial assets and liabilities carried at fair value				
		Non-financial assets	Loans Receivables	Liabilities at amortised cost	Equity instruments	Assets and liabilities at fair value through profit and loss	Level 1 (a)	Level 2 (b)	Level 3 (c)
<b>NON-CURRENT ASSETS</b>	<b>451.3</b>	<b>129.5</b>	<b>312.1</b>	<b>–</b>	<b>9.7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9.7</b>
Securities and investments in equity affiliates	423.5	129.5	294.0	–	–	–	–	–	–
Non-current financial assets	27.8	–	18.0	–	9.7	–	–	–	9.7
<b>CURRENT ASSETS</b>	<b>1,967.1</b>	<b>–</b>	<b>1,839.1</b>	<b>–</b>	<b>–</b>	<b>128.0</b>	<b>50.3</b>	<b>77.7</b>	<b>–</b>
Trade and other receivables	850.1	–	850.1	–	–	–	–	–	–
Current financial assets	16.5	–	16.5	–	–	–	–	–	–
Derivative financial instruments	77.7	–	–	–	–	77.7	–	77.7	–
Cash and cash equivalents	1,022.8	–	972.6	–	–	50.3	50.3	–	–
<b>NON-CURRENT LIABILITIES</b>	<b>2,532.5</b>	<b>–</b>	<b>–</b>	<b>2,532.5</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Borrowings and financial liabilities	2,494.2	–	–	2,494.2	–	–	–	–	–
Deposits and security interests received	38.4	–	–	38.4	–	–	–	–	–
<b>CURRENT LIABILITIES</b>	<b>2,242.8</b>	<b>–</b>	<b>–</b>	<b>2,242.3</b>	<b>–</b>	<b>0.5</b>	<b>–</b>	<b>0.5</b>	<b>–</b>
Borrowings and financial liabilities	661.8	–	–	661.8	–	–	–	–	–
Derivative financial instruments	0.5	–	–	–	–	0.5	–	0.5	–
Trade and other payables	1,580.5	–	–	1,580.5	–	–	–	–	–

(a) Financial instruments listed on an active market.

(b) Financial instruments whose fair value is determined using valuation techniques based on observable market inputs.

(c) Financial instruments whose fair value (in whole or in part) is based on non-observable inputs.

Equity instruments mainly comprise equity securities of non-consolidated companies. At each acquisition, an analysis is carried out to determine the Group's management intention, and therefore its accounting method (change in value through income or by OCI).

Cash and cash equivalents breakdown between cash presented under receivables and marketable securities presented as financial assets within Level 1 of the fair value hierarchy.

## 8.2 Interest rate risk

The Group is exposed to market risk, particularly with regard to interest rate risk. The Group uses a number of financial instruments to cope with this risk. The Group holds a portfolio of swaps and caps designed to hedge against interest rate risk on its financial debts.

The objective is to reduce, where it deems appropriate, fluctuations in cash flows linked to changes in interest rates.

Derivative instruments are measured and recognised at fair value in the balance sheet based on external valuations. Changes in the fair value of derivative instruments are always recognised in income. The Group has not opted for the hedge accounting available under IFRS 9.

The Group mainly uses credit markets.

### Position in derivative financial instruments

(€ millions)	30/06/2022	31/12/2021
Interest-rate swaps	54.5	(16.6)
Interest-rate caps	17.5	4.9
Accrued interest not yet due	5.2	7.1
Premiums and balances outstanding	–	–
<b>Total</b>	<b>77.2</b>	<b>(4.7)</b>

Derivatives are valued by discounting future cash flows estimated according to interest rate curves at 30 June 2022.

### Maturity schedule of derivative financial instruments (notional amounts)

#### At 30 June 2022

(€ millions)	30/06/2022	30/06/2023	30/06/2024	30/06/2025	30/06/2026	30/06/2027
ALTAREA – pay fixed – swap	400.0	800.0	1,025.0	1,025.0	825.0	825.0
ALTAREA – pay floating rate – swap	700.0	700.0	700.0	300.0	–	–
ALTAREA – cap	262.5	262.5	262.5	262.5	262.5	262.5
<b>Total</b>	<b>1,362.5</b>	<b>1,762.5</b>	<b>1,987.5</b>	<b>1,587.5</b>	<b>1,087.5</b>	<b>1,087.5</b>
Average hedge ratio	(0.24)%	0.49%	0.45%	0.44%	0.37%	0.36%

### Management position

#### At 30 June 2022

(€ millions)	30/06/2022	30/06/2023	30/06/2024	30/06/2025	30/06/2026	30/06/2027
Fixed-rate bond and bank loans	(1,480.7)	(1,456.0)	(1,455.9)	(1,190.6)	(790.1)	(740.0)
Floating-rate bank loans	(1,223.7)	(676.1)	(480.7)	(411.7)	(343.1)	(343.1)
Cash and cash equivalents (assets)	1,022.8	–	–	–	–	–
<b>Net position before hedging</b>	<b>(1,681.5)</b>	<b>(2,132.1)</b>	<b>(1,936.6)</b>	<b>(1,602.3)</b>	<b>(1,133.2)</b>	<b>(1,083.2)</b>
Swap	1,100.0	1,500.0	1,725.0	1,325.0	825.0	825.0
Cap	262.5	262.5	262.5	262.5	262.5	262.5
<b>Total derivative financial instruments</b>	<b>1,362.5</b>	<b>1,762.5</b>	<b>1,987.5</b>	<b>1,587.5</b>	<b>1,087.5</b>	<b>1,087.5</b>
<b>Net position after hedging</b>	<b>(319.0)</b>	<b>(369.6)</b>	<b>50.9</b>	<b>(14.8)</b>	<b>(45.7)</b>	<b>4.3</b>

## Analysis of interest-rate sensitivity

The following table shows the interest-rate sensitivity (including the effect of hedging instruments) of the entire portfolio of floating-rate borrowings from credit institutions and derivative instruments.

	Increase/decrease in interest rates	Impact of the gain (-) or loss (+) on profit before tax	Impact on the value of the portfolio of the financial instruments
30/06/2022	+50 bps	+€0.7 million	-€24.2 million
	-50 bps	-€0.7 million	-€25.0 million
31/12/2021	+50 bps	+€2.5 million	+€16.0 million
	-50 bps	-€2.3 million	-€15.9 million

## 8.3 Liquidity risk

### CASH

The Group maintained significant access to liquidity, accompanied by good conditions.

The Group had a positive cash position of €1,022.8 million at 30 June 2022, compared to €1,625.5 million at 31 December 2021. This represents its main tool for management of liquidity risk (see Note 6.2.1 "Net financial bond and bank debt").

Part of this cash is available to meet the requirements of the subsidiaries that carry it: at 30 June 2022 this totalled €534 million.

As of the same date, €488.8 million in cash is available at Group level.

The Group can also draw down an additional €1,152.5 million (in the form of unused confirmed corporate credit lines not

allocated to development projects or operations), to use without restriction.

### FINANCIAL COVENANTS AND RATIOS

The Group is also required to comply with a certain number of financial covenants that contribute to the monitoring and management of the Group's financial risks.

The covenants with which the Group must comply concern the listed corporate bond and banking loans, for €1,259 million.

The bond issue subscribed for by Altareit SCA (€400.4 million) is subject to leverage covenants.

They are listed below:

	Altarea Group covenants	30/06/2022	Consolidated Altareit covenants	30/06/2022
<b>Loan To Value (LTV)</b>				
Net bond and bank financial debt/re-assessed value of the Company's assets	< 60%	24.2%		
<b>Interest Cover Ratio (ICR)</b>				
Operating income (FFO column or cash flow from operations)/Company's net borrowing cost (FFO column)	> 2	12.6		
<b>Leverage</b>				
Gearing: Net financial debt/Equity			≤ 3.25	0.2
ICR: EBITDA/Net interest expenses			≥ 2	11.6

At 30 June 2022, the Company is meeting all its covenants. In the highly likely event that certain debt may be required to be partially repaid at a subsequent date, the amount of these repayments would be recognised under current liabilities until the maturity date.

### COUNTERPARTY RISK

In the course of its business, the Group is exposed to two main categories of counterparty: financial institutions and tenants.

With regard to financial institutions, credit and/or counterparty risks relate to cash and cash equivalents, derivatives arranged to hedge interest rate risk, and the banking institutions with which these products are arranged.

To limit this risk, the Group only arranges hedging with leading financial institutions. The selected vehicles have a very limited risk profile and are monitored.

With regard to tenants, the Group believes it has no significant exposure to credit risk due to its diversified portfolio of tenants. In the Retail business, tenants also provide financial guarantees, mainly in the form of security deposits, on signing lease agreements.

### CURRENCY RISK

As the Group does not carry out any transactions in foreign currencies, it is not subject to currency risk.

## NOTE 9 RELATED PARTY TRANSACTIONS

### Ownership structure of Altarea SCA

As a percentage	30/06/2022		31/12/2021	
	% share capital and theoretical voting rights	% actual voting rights	% share capital and theoretical voting rights	% actual voting rights
Founding shareholders and the expanded	45.05	45.33	44.93	45.39
Crédit Agricole Assurances	24.66	24.82	24.66	24.91
ABP	7.09	7.13	7.09	7.16
Opus Investment BV <sup>(b)</sup>	1.62	1.63	1.62	1.64
Treasury shares	0.63	–	1.01	–
Public + employee investment mutual fund	20.95	21.09	20.69	20.90
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

(a) The founding shareholders, Alain Taravella (including the companies he controls and members of his family), and Jacques Nicolet (including the companies he controls), and the Chief Executive Officer of Altafi 2, Jacques Ehrmann, acting in concert.

(b) Related parties (i.e. Christian de Gournay)

### Related party transactions

The main related parties are the companies of one of the founding shareholders that own a stake in Altarea:

- AltaGroupe, AltaPatrimoine and Altager, controlled by Alain Taravella.

The Company is managed by Alain Taravella personally and by the companies Altafi 2 and Atlas which he controls. Alain Taravella is also Chairman of Altafi 2 and Atlas. Jacques Ehrmann is Chief Executive Officer of Altafi 2.

Transactions with these related parties mainly relate to services rendered by the aforementioned Management and to a lesser extent, services and rebillings by the Company to AltaGroupe and its subsidiaries.

### Coordinating services provided to the Company

In order to formalise the services habitually provided to Altarea by AltaGroupe, the coordinating holding Company, and to spell out the services provided by the latter, a coordination agreement was signed in 2017. The previous conditions remain unchanged.

### Assistance services and rebilling by the Company and its subsidiaries

Assistance services and rebilling of rents and other items are recognised as a deduction from other company overhead costs in the amount of €0.2 million. Services invoiced to related parties by the Altarea Group are invoiced on an arm's length basis.

### Assets and liabilities toward related parties

(€ millions)	Altafi 2 SAS		
	30/06/2022	31/12/2021	30/06/2021
Trade and other receivables	0.3	0.1	0.1
<b>TOTAL ASSETS</b>	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>
Trade and other payables <sup>(a)</sup>	0.9	1.0	0.5
<b>TOTAL LIABILITIES</b>	<b>0.9</b>	<b>1.0</b>	<b>0.5</b>

(a) Corresponds to Management's variable compensation.

In addition, new management fee agreements were set up in 2021 to remunerate the services provided by Altarea, Altareit and Altarea Management for the benefit of Group companies. The remuneration of these management fees has been defined by mutual agreement according to the cost of the services provided and is in line with the market price.

### Compensations of the Management Committee

Alain Taravella does not personally receive any compensation from Altarea or its subsidiaries for his co-management position. This is fully received by Altafi 2 in the form of fees. Alain Taravella receives compensation from a holding company which has a stake in Altarea.

No share-based compensation or other short-term or long-term or other forms of compensation were paid by Altarea or its subsidiaries to the Management.

The fixed remuneration of Management in respect of Altarea and Altareit is €1.8 million for the year.

The annual variable compensation of the Managing Partners potentially payable by Altarea is based partly on FFO, Group share, for the financial year and partly on the Company's GRESB classification. The amount paid by Altareit is based partly on the consolidated net income, Group share, for the financial year, above a pre-set threshold and partly on the achievement of non-financial objectives related to the climate and human resources.

For information purposes, it stood at € 0.9 million at 30 June 2022.

The total amount of fixed and variable compensation that may be paid to the Managing Partners by Altarea and Altareit for the 2022 financial year is capped at €4 million.

## Compensation of the Group's senior executives

(€ millions)	30/06/2022	31/12/2021	30/06/2021
Gross wages <sup>(a)</sup>	2.0	4.0	2.5
Social security contributions	0.9	1.7	0.9
Share-based payments <sup>(b)</sup>	3.9	7.5	1.9
<i>Number of shares delivered during the period</i>	<i>30,558</i>	<i>34,293</i>	<i>7,228</i>
Post-employment benefits <sup>(c)</sup>	0.0	0.0	0.0
Other short- or long-term benefits and compensation <sup>(d)</sup>	0.0	0.0	0.0
Termination indemnities <sup>(e)</sup>	–	–	–
Employer contribution on free shares delivered	0.9	1.1	0.2
Post-employment benefit commitment	0.7	0.8	0.4

(a) Fixed and variable compensation.

(b) Charge calculated in accordance with IFRS 2.

(c) Pension service cost according to IAS 19, life insurance and medical care.

(d) Benefits in kind, directors' fees and other compensation vested but payable in the future (short- or long-term).

(e) Post-employment benefits, including social security costs.

<i>In number of rights on equity in circulation</i>	30/06/2022	31/12/2021	30/06/2021
Rights to Altarea SCA's free share grants	142,231	159,603	53,752

The information presented relates to the compensation and benefits granted (i) to executive corporate officers for offices held in subsidiaries and (ii) to the Group's main salaried executives.

## NOTE 10 GROUP COMMITMENTS AND CONTINGENT LIABILITIES

### 10.1 Off-balance sheet commitments

The main commitments given by the Group are mortgages and mortgage commitments made to secure loans or lines of credit from credit institutions.

Pledges of securities and undertakings not to sell or assign ownership units are also made by the Company to secure certain loans.

These commitments appear in Note 6.2 “Net financial debt and guarantees”.

In addition, the Company has received commitments from banks for unused credit lines, which are described in Note 8.3 “Liquidity risk”.

All other material commitments are set out below:

(€ millions)	31/12/2021	30/06/2022	Less than one year	From one to five years	More than five years
<b>Commitments received</b>					
Commitments received relating to financing (excl. borrowings)	–	–	–	–	–
Commitments received relating to Company acquisitions	10.6	9.6	–	4.1	5.5
Commitments received relating to operating activities	168.4	174.7	151.2	8.6	14.9
Security deposits received in the context of the Hoguet Act (France)	87.9	92.7	92.7	–	–
Security deposits received from tenants	23.9	26.0	4.1	8.6	13.4
Payment guarantees received from customers	44.6	44.2	42.7	–	1.5
Unilateral land sale undertakings received and other commitments	0.3	–	–	–	–
Other commitments received relating to operating activities	11.8	11.8	11.8	–	–
<b>Total</b>	<b>178.9</b>	<b>184.2</b>	<b>151.2</b>	<b>12.6</b>	<b>20.4</b>
<b>Commitments given</b>					
Commitments given relating to financing (excl. borrowings)	11.0	11.0	5.0	6.0	–
Commitments given relating to Company acquisitions	68.7	57.0	–	57.0	–
Commitments given relating to operating activities	2,213.9	1,955.9	883.3	1,045.2	27.4
Construction work completion guarantees (given)	1,928.0	1,655.3	680.6	974.8	–
Guarantees given on forward payments for assets	170.8	171.4	139.3	32.2	–
Guarantees for loss of use	61.1	62.8	40.8	19.7	2.3
Other sureties and guarantees granted	54.0	66.3	22.7	18.6	25.1
<b>Total</b>	<b>2,293.6</b>	<b>2,023.9</b>	<b>888.3</b>	<b>1,108.2</b>	<b>27.4</b>

#### Commitments received

##### COMMITMENTS RECEIVED RELATING TO ACQUISITIONS/DISPOSALS

As part of its acquisition of the developer Severini, the Group received a commitment from the sellers to guarantee it until 31 January 2025 against any damage or loss up to €2 million, incurred by the Group as a result of the business activities, with a cause or origin predating 31 March 2018.

The Group and Woodeum Holding arranged a potential liquidity of their securities and secured the Group’s ability to buy the balance of the shares not held, should it so wish. The Group has moreover received representations and warranties in the context of this investment.

##### COMMITMENTS RECEIVED RELATING TO OPERATING ACTIVITIES

###### • Security deposits

Under France’s “Hoguet Act”, the Group holds security deposits received specialist bodies in an amount of €92.7 million as a guarantee covering its real estate management and trading activities.

The Group also receives security deposits from its tenants to guarantee that they will pay their rent.

###### • Payment guarantees received from customers

The Group receives customer payment guarantees issued by financial institutions to guarantee sums payable by the customer. They mainly relate to Retail and Office property development projects.

###### • Unilateral land sale undertakings received and other commitments

Other guarantees received consist mainly of commitments received from property sellers.

###### • Other commitments received

In its Property Development business, the Group receives deposits on construction contracts from contractors to cover holdbacks (up to 5% of the amount of the contract – non-costed commitment).

## Commitments given

### COMMITMENTS GIVEN RELATING TO FINANCING ACTIVITIES

The Group makes representations and warranties or contingent consideration when disposing of shares in subsidiaries and affiliates. When the Group considers that it is probable that there will be a cash outlay under the terms of these guarantees, it sets aside allowances to provisions and their amount is reassessed at each closing date.

The main commitments concern:

- undertaking to subscribe for the capital of companies comprising the AltaFund investment fund in the amount of €22.0 million (firm commitment for identified projects);
- liability guarantees of €35 million given following the disposal of miscellaneous assets.

The shares of Altablue, Aldeta, Alta Crp Gennevilliers, Alta Crp La Valette, Alta Gramont, Toulouse Gramont, Bercy Village and Société d'Aménagement de la Gare de l'Est as well as assets held by these companies, are for a limited period subject to conditions for sale contingent on the agreement of each of the partners of these companies.

As part of the Crédit Agricole Assurances agreements, the Group has signed a certain number of legal undertakings that restrict the liquidity of its shareholding under certain conditions.

### COMMITMENTS GIVEN RELATING TO OPERATING ACTIVITIES

#### • Construction work completion guarantees

Completion guarantees are given to customers as part of off-plan sales and are provided on behalf of Group companies by financial institutions, mutual guarantee organisations or insurance companies. They are reported in the amount of risk borne by the financial institution that issued the guarantee.

In return, Group companies give financial institutions a promise of mortgage security and an undertaking not to sell ownership units.

#### • Guarantees on forward payments for assets

These guarantees mainly cover purchases of land or buildings for the Property Development business.

#### • Guarantees for loss of use

As part of its Property Development activities, the Group signs preliminary sales agreements with landowners, the execution of which is subject to conditions precedent, including conditions relating to obtaining administrative authorisations. In return for their undertakings, landowners receive compensation for loss of use, which takes the form of an advance (carried on the asset side of the balance sheet) or a surety (an off-balance sheet liability). The Group undertakes to pay the compensation for loss of use if it decides not to buy the land when the conditions precedent are met.

#### • Other sureties and guarantees granted

The other sureties and guarantees granted relate primarily to the Group's involvement in AltaFund, the office property investment fund, the sureties granted in connection with its

property development activity, as well as the REIT business in Italy for guarantees granted by companies to the Italian government regarding their VAT position.

### Reciprocal commitments

Notably in the ordinary course of its Property Development activities, the Group enters into reciprocal commitments to ensure the REIT control of future projects. The Group signs bilateral sales agreements with landowners: the owner undertakes to sell its land and the Group commits to buy it if all conditions precedent (administrative and/ or marketing) are met.

### Other commitments

In the conduct of its proprietary shopping centre development business, Altea has made commitments to invest in projects initiated and controlled by the Company.

Moreover, in the conduct of its Residential property development, the Group signs reservation contracts (or preliminary sales agreements) with its customers, the execution of which depends on whether the customers meet the conditions precedent, particularly with respect to their ability to secure financing.

As part of its Property Development business, the Group has a future offering consisting of unilateral preliminary sales agreements.

The amount of these commitments is shown in the business review.

### Minimum future rents to be received

The total of minimum future rents to be received under non-cancellable rental agreements over the period amounted to:

(€ millions)	30/06/2022	31/12/2021
Less than 1 year	292.3	193.4
Between 1 and 5 years	501.3	489.4
More than 5 years	234.9	225.6
<b>Guaranteed minimum rent</b>	<b>1,028.4</b>	<b>908.4</b>

Rents receivable relate mainly to shopping centres owned by the Group.

## 10.2 Contingent liabilities

Correction proposals concerning the registration fees related to the sale by Alta Faubourg of the Semmaris shares in 2018 and 2020 were received in 2021 and 2022.

As registration fees are guaranteed by Alta Faubourg, the risk, which amounts to €11.0 million in fees and late payment penalties, is borne by the Group.

The company has strong arguments to contest the adjustment and does not envisage an outflow of financial resources.

No provisions were therefore taken at 30 June 2022.

No other new litigation or governmental, legal, or arbitration proceedings that are likely to have significant effects on the Company's financial position or profitability arose in the period, other than those for which a provision has been recognised (see Note 6.3 "Provisions") or for which the case is ongoing (see Note 4.1 "Major events").

## NOTE 11 EVENTS AFTER THE CLOSING DATE

Subsequent to 30 June, Altarea signed a memorandum of understanding with SCOR and MRM (listed player specializing in retail real estate) providing for the contribution, subject to certain conditions, of its Flins and Ollioules sites to MRM for €90.4 million. These contributions will be remunerated mainly in cash and in MRM shares so that Altarea will hold a stake of approximately 16% at the end of these transactions.

With this transaction, which constitutes a strategic agreement for the development of MRM and is expected to be completed by the end of the second half of 2022, Altarea would sell its last two shopping centres and invest in MRM alongside SCOR.